Department of Health and Human Services
Maine People Living Safe, Healthy and Productive Lives
Paul R. LePage, Governor
Mary C. Mayhew, Commissioner

Department of Health and Human Services
Commissioner's Office
221 State Street
11 State House Station
Augusta, Maine 04333-0011
Tel.: (207) 287-3707; Fax (207) 287-3005
TTY Users: Dial 711 (Maine Relay)

December 10, 2013

To: Senator Margaret M. Craven, Chair
Representative Richard R. Farnsworth, Chair
Members of the Joint Standing Committee on Health and Human Services

From: Mary C. Mayhew, Commissioner, Department of Health and Human Services

Re: DHHS Responses to questions regarding DHHS Children's Services, the Administrative and MaineCare PNMI Reimbursement and Alexander Group Contract for December 10th HHS Committee Meeting

Children's Services:

1. Please provide a schedule for meetings and progress on the Section 28 rate setting changes.

Response: The Department has continued to meet internally and is in the process of developing an initial draft of recommendations for the review of the Commissioner.

DHHS administrative issues

2. Please provide detailed information on each of the following DHHS administrative matters: the SIM grant, MaineCare eligibility system upgrades, and the actuarial study of MaineCare benefits for the purposes of reimbursement level determination under the Affordable Care Act.

Response:

- SIM Grant: Please see response to questions 5 and 6
- MaineCare Eligibility System Upgrades: Please see Attachment A as provided to the Health Exchange Advisory Commission.
- Actuarial Study of MaineCare benefits: The study is still in progress

3. With regard to the SIM grant please provide information on the initiatives to be studied or implemented and the timeline for accomplishment.

Response: Please see Attachment B and the SIM grant Operational Grant Plan at the following link: http://www.maine.gov/dhhs/oms/sim/operational-plans/Maine-SIM-OPS-PLAN-v19.pdf

4. With regard to the SIM grant please provide information on how each initiative to be implemented will impact the delivery of services by DHHS, the provision of services by community social service providers and access to services by all Maine residents, by clients of DHHS and by members of MaineCare.

Response: Please see Attachment B and the link above

MaineCare reimbursement of PNMIs

5. Please provide a detailed update of the progress that DHHS is making with regard to reimbursement of PNMIs.

Response:
Appendix B: The Department is working internally and with CMS to finalize the development of an acceptable rate methodology and begin the drafting of a State Plan Amendment. The primary concern of CMS is that we are able to clearly observe what services were provided under the rate methodology.

Appendix C: The State Plan Amendment was submitted in July and the Department is currently working with CMS to respond to their formal requests for additional information. Simultaneously, the Department is working internally to begin the rules redrafting work required by the changes outlined in the State Plan Amendment. Additionally, we are meeting with providers to ensure that changes are reasonable and appropriate. Please see Attachment C for further information related to Appendix C.

Appendix D: The Department is working internally to construct an appropriate plan for the redesign of Appendix D services.

Appendix E: The Department is working to identify the true needs of this population to ensure all needs are appropriately addressed for both providers and patients as we begin to work on formulating final policy changes.

Appendix F:

- Mental Health: There are two facilities containing a total of 32 beds statewide that fit this category of provider. We are currently meeting directly with providers and assessing their needs and the specific needs of the population to determine the appropriate path forward.
- Brain Injury: The Department anticipates the Waiver application should be finished and submitted to CMS in the beginning of January. The Section 18 Rule will be drafted in December and sent to the AG's office for review in the beginning of January. We have established a NF eligibility project timeline and workgroup related to necessary changes. Additionally, the Department has had an extensive Stakeholder process which will continue until the wavier is finally submitted.
- I/DD: The Department has been meeting with the Maine Association of Community Service Providers (MACSP) and other PNMI providers outside of MACSP membership each month to continue discussions on the creation of a new model to replace I/DD PNMI's. There are currently 203 (+/-) individuals living in I/DD PNMI's. The Department and the provider association are exploring alternative models of care that will sustain services for this group of people. In partnership, we have completed independent assessments of each member and we are currently completing time studies. We will have a proposed model ready for review in January 2014. The Department is considering several solutions in order to achieve successful transition of the I/DD PNMI's. Solutions may include use of Section 21 (for those already on the program), Section 29 (for those already on the program) and the creation of a new state-plan service through use of a composite rate. We plan to continue meeting with providers and MACSP on a monthly basis until an appropriate solution has been identified.
- Adult Protective: The Department has met with the three service providers individually and as a group to continue discussions about the current state and future plans for PNMI, Appendix F Adult Protective Services facilities. Providers have given detailed information about the services they provide and the needs of the individuals receiving those services. Additional assessment has been ongoing as well through use of the *Adult Needs and Strengths Assessment* (ANSA), which is an assessment of needs,

strengths, and level of care. The Department has gained a better understanding of the real costs of providing this model of service, as well as greater insight and appreciation for the service needs of the individuals they serve. We are currently assessing next steps for appropriate changes to these services.

6. What is the status of any application to federal CMS from DHHS on PNMI reimbursement?

Response: Please see response for question 5

7. What is the timeline for a decision from CMS?

Response: State Plan Amendments can take several months depending on the complexity of the changes.

8. What is the status of DHHS-provider discussions for each type of PNMI?

Response: See question 5

9. What is the impact of the PNMI status quo payment system and any proposed payment systems on the 2014-2015 biennial budget?

Response: We are still assessing potential additional costs.

10. Do the plans or applications submitted to CMS have an impact on PNMIs or persons living in PNMIs?

Response: Yes

DHHS contract with the Alexander Group

11. Please provide a copy of any contracts with the Alexander Group or Gary Alexander.

Response: The contract was provided to the Speaker's office on November 19th and is included here as Attachment D.

12. What services and at what cost and on what schedule for completion has DHHS contracted for with the Alexander Group?

Response: Please see Attachment D

13. What contracting procedures were used in developing and signing the contract with the Alexander Group?

Response: The statute and rules references noted below provide guidance for developing contracts – the contract for the Alexander Group was developed consistent with these regulations.

Title 5: ADMINISTRATIVE PROCEDURES AND SERVICES
Part 4: FINANCE
Chapter 155: PURCHASES
Subchapter 1-A: RULES GOVERNING THE COMPETITIVE BID PROCESS

http://www.mainelegislature.org/legis/statutes/5/title5sec1825-B.html (Attachment E)

And:

DAFS/BGS Division of Purchases
Basic Contracting and Commodity Procurement Guidelines

http://www.maine.gov/purchases/files/BasicContractingandCommodityProcurementGuidelines2013.rtf (Please see Attachment F)

14. With regard to each deliverable under the Alexander Group contracts please provide detailed information on the responsibilities of the contractor and the purpose of the inquiry.

Response: Please see the responsibilities as outline by the contract. (Attachment D)

15. With regard to each deliverable under the Alexander Group contracts please provide a schedule and the means for communication with the Legislature and the public when the Alexander Group completes the applicable report.

Response: There is no formal plan at this time.

Attachment A

The Role of Maine DHHS In the Health Exchange

Background
On October 1, 2013, Maine and all states must be ready to participate in a Health Exchange that will assist people who qualify to purchase government-subsidized health insurance as required by the Affordable Care Act.

Maine's Model
Maine has chosen to use the Federally Facilitated Marketplace vs. run a State-Based Exchange.

In this model:

- Final Medicaid eligibility determination is retained at the state level;
- Modified Gross Income (MAGI) eligibility rules will be adopted by January 1, 2014 to be in compliance with ACA.

A Brief Description of MAGI Rules
MAGI is Adjusted Gross Income as determined by income tax, plus any other income or tax-exempt interest a person receives. Assets are not included in eligibility determination. A family's size is based on the number of personal exemptions claimed on the applicant's tax form.

One key difference in the MAGI rules is the type of income that is currently disregarded when determining eligibility. For example, some child support payments and the first $90 of earned income are disregarded in Maine. This will no longer be allowed in the MAGI rules.

In addition, many items that are counted in calculating gross income currently will not be counted under MAGI, because they are excluded as income when filing federal income tax.

These rules are extremely complex and DHHS eligibility staff have undergone intense training regarding the implementation of these rules.

Processing Applications
It should be clear that the Office for Family Independence is responsible only for Medicaid eligibility determination.

- When a person applies at the FFM by going to www.healthcare.gov, the application will be assessed to determine if the applicant may be eligible for Medicaid;
- Applicants that are deemed potentially eligible for Medicaid by the FFM will have their information transferred to Maine for a final determination;

- If deemed ineligible for Medicaid, a notification will be sent to the applicant as well as the FFM and the application will be transferred back to the FFM.

If an applicant applies for Medicaid via the State's online portal, in person, via phone, fax or via a Navigator, the application will be reviewed against the existing rules to determine Medicaid eligibility.

- If eligible for Medicaid, the applicant will be enrolled;

- If ineligible, the account will be transferred to the FFM and they will assist with the selection of a Qualified Health Plan and determine eligibility for subsidies.

Support Available to Applicants

- An 800 number will be posted at www.healthcare.gov (the FFM site) and the State Web portal (My Maine Connection);

- A menu-driven phone system will give those who are calling three options, based on scripts that have been developed:

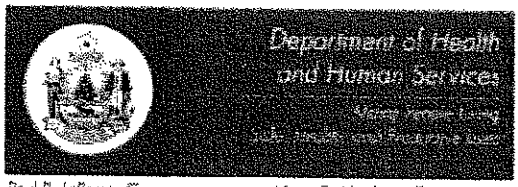
  1) Inquiries regarding the purchasing of health insurance will be directed to www.healthcare.gov which will connect the called to the FFM Call Center;

  2) Inquiries about a particular health insurance or dental insurance provider will be transferred directly to the Bureau of Insurance;

  3) Inquiries about Maine's online Medicaid application or questions about Medicaid eligibility will be transferred to DHHS staff.

- In addition, the Federal government has provided funding to states like Maine who have adopted the FFM model for people called 'Navigators,' who are positioned in agencies across the state to help support those who are seeking to apply for health insurance coverage under ACA.

Attachment A



Paul R. LePage, Governor Mary C. Mayhew, Commissioner

Department of Health and Human Services
Commissioner's Office
221 State Street
11 State House Station
Augusta, Maine 04333-0011
Tel.: (207) 287-3707; Fax (207) 287-3005
TTY Users: Dial 711 (Maine Relay)

October 18, 2013

To: Senator Margaret M. Craven, Senate Chair, Maine Health Exchange Advisory Committee
Representative Sharon Anglin Treat, House Chair, Maine Health Exchange Advisory Committee
Members of the Maine Health Exchange Advisory Committee

From: Mary C. Mayhew, Commissioner, Department of Health and Human Services

Re: Maine Health Exchange Advisory Committee
Questions for the Department of Health and Human Services to be provided in writing for October 21, 2013 meeting

1. How many people are currently applying for Medicaid each month? How many are approved and how many people are denied each month by Medicaid category?

   Response: The Department is currently gathering and verifying this data and will forward it when it is available.

2. Are there measures in place to assess the readiness of DHHS for the marketplace's open enrollment period and taking/making referrals between the marketplace and Medicaid program? How is the Department assessing its readiness?

   Response:
   Our current process between the Federally Facilitated Marketplace (FFM)and the State of Maine is an implementation of contingency plans, both at the State and Federal levels. There is a process which the Center for Medicare and Medicaid Services (CMS) refers to as Account Transfer (AT) which is not yet in production at the Federal or State levels.

   Currently Maine citizens that apply at the Federally Facilitated Marketplace (FFM) are assessed for potential eligibility for MaineCare. If the assessment indicates that the applicant is not Mainecare eligible they can continue on and shop for a Qulaified Health Plan (QHP) and subsidies at the FFM. If the assessment indicates that the applicant is potentially eligible for MaineCare they are notified and their contact information is entered into a file. That file is then made available to the State of Maine on a weekly basis which we are able to download for the purpose of obtaining a sense of the volume we can expect. There is limited applicant information within the file and is insufficient to process against our eligibility rules. Our first file made available to download was scheduled to be on 10/8/2013, but was not made available by CMS until 10/17/2013. The file contained 107 records of applicants applying at the FFM and were assessed as potentially MaineCare eligible.

   If a Maine citizen applies for MainCare within the State of Maine we process the application against our current eligibility rules and if they are eligible they are enrolled. If they are deemed

ineligible we hold the application to run against the new Modified Adjuted Gross Income (MAGI) rules which we plan to have available by 10/28/2013. If they are identified as eligible for MaineCare after processing against the MAGI rules, we will pend that applicant to become enrolled in MaineCare on 1/1/2014. If they are determined to be ineligible after processing against our current and MAGI rules, they will be notified and we will hold that application until 11/15/2013 when we will have out Account Transfer process from the State of Maine to the FFM implemented and they will be able to shop for a Qualified Health Plan (QHP) and potential subsidies.

When the designed production technical AT process is in place (11/15/2013) the State of Maine will receive all 'full' applications received at the FFM from 10/1/2013 to current date. Once received by the State we will process against our current eligibility rules and if determined eligible they will be enrolled in MaineCare. If they are determined ineligible we will hold until we can process the application against our Modified Adjusted Gross Income (MAGI) rules (10/28/2013) to make a final eligibility determination. If determined eligible they are notified and placed in pend status for MaineCare enrollment on 1/1/2014. If determined ineligible they are notified and their 'account' will be transferred back to the FFM to shop for a Qualified Health Plan (QHP) and potential subsidies.

The State of Maine processes and technologies in place and those planned for the 10/28/2013 and 11/15/2013 deployments have and are currently going through rigorous user acceptance, integration and regression testing internally and with CMS.

3. What systems are in place to ensure a seamless application process regardless of what door (Marketplace v. DHHS) people apply?

Response:

There are multiple ways for a Maine citizen to apply for MaineCare through DHHS. We have an online application known as My Maine Connection (MMC) which guides the applicant through a series of questions and collects all applicant data required to determine eligibility for our current rules. We collect MAGI supplemental data that wil be made available to our frontline eligibility specialists by 10/28/2013. Consumers can also apply over the phone, fax, mail and 'walk-in'. If the consumer walks in they have the option of utilizing a kiosk to apply online via MMC or apply face to face with an eligibility specialist. Those that choose to apply manually (non MMC application) will have all of the data collected necessary to process against the new MAGI rules when implemented on 10/28/2013. We also have an application verification process, approved by CMS, which could require the applicant to produce income verification documents.

If the applicant is determined to be ineligible for MaineCare they will receive notification and then would follow the process outlined in question 2 response.

4. How will people be transferred from DHHS to the Marketplace and/or Navigators, certified application counselors?

Response:

See above process in question 2 response. The Navigators are currently assisting with State of Maine consumers with the FFM application process only. Our frontline eligibility specialists have all contact information for the Navigators and all groups identified as resources for State of Maine consumers that request assistance with the FFM application process.

5. What data, if any, is DHHS collecting related to its obligation to refer people to the Marketplace?

   Response: DHHS is collecting required data that includes, tax filing status, annual income, tax dependency, minimal essential health coverage, etc. Please see attached supplemental data sheet (Attachment A).

6. Will DHHS track whether people are churning on and off of Medicaid and the Marketplace? How will you track this data?

   Response: DHHS has data that can track the number of individuals who come onto MaineCare and who go off. We will also be able to track the number of accounts sent to the FFM as a result of ineligibility for MaineCare.

7. Given existing infrastructure, what would be needed in order to deliver real-time processing of eligibility information and facilitate entry to the Marketplace immediately if a person is deemed ineligible for MaineCare?

   Response: The State of Maine is currently in the process of planning 'phase 2' of the Business Process and IT Modernization project which will include real-time processing of a consumer's application and notification. If the consumer is determined to be ineligible for MaineCare then the account transfer process to FFM will occur as described above. The changes required will include tighter dynamic integration between MMC and our systematic eligibility rules process. There will also be an emphasis placed on consumer self-service which will drive more technology application processing which will allow for real-time decisions and notification.

8. What lessons have been learned through DHHS experience with the Private Insurance Purchase Program (PIP) and its implications for the Marketplace and/or possibility of a Basic Health Plan? What's been the retention rate of members on the PIP? How have average costs to DHHS per PIP member [premium plus any medical wrap expenses] compared to the average MaineCare costs per member [not including long term care or other non-medical costs].

   Response: There are 1,345 members on PHIP.

	371.15	(PMPM wo/TPL)
–	169.73	(PMPM w/TPL)
=	201.42	(cost savings)
X	1,345	(# of MaineCare members)
=	$270,909.90	
-	$157,000.00	(average monthly cost of premiums)
=	$113,909.90	(cost savings per month)

9. For those who are due to lose coverage given the Medicaid eligibility reductions, what has been their utilization of medical services as measured by physician services, hospital services, ED utilization, pharmacy, total medical costs, etc. This information could be helpful in examining the richness and sufficiency of the benchmark plan in existence for QHPs.

   Response: See Attachment B

10. What considerations, if any, have been given to the application of SIM work to Marketplace (Exchange) infrastructure, the benchmark plan, and QHPs in general?

Response: SIM work has not focused on the Marketplace infrastructure but more on the delivery of quality healthcare services and payment.

Attachment A

MEDICAID APPLICATION SUPPLEMENT

COMPLETE THIS SUPPLEMENT FOR YOURSELF, YOUR SPOUSE/PARTNER AND CHILDREN WHO LIVE WITH YOU AND/OR ANYONE ON YOUR SAME FEDERAL INCOME TAX RETURN IF YOU FILE ONE. IF YOU DON'T FILE A TAX RETURN, REMEMBER TO STILL ADD FAMILY MEMBERS WHO LIVE WITH YOU.

APP LAST NAME:	APP FIRST NAME:	MI:

FEDERALLY RECOGNIZED TRIBE MEMBERS

Names of those with Indian Health Service Coverage:

Does Not Receive Indian Health Service Coverage, but is eligible:

OTHER MEDICAL INSURANCE

(IF APPLICABLE, LIST THE HOUSEHOLD MEMBERS THAT CURRENTLY RECEIVE HEALTH COVERAGE)

Name:	Company:
Policy:	Type:

EMPLOYER INSURANCE

HOUSEHOLD MEMBERS RECEIVING, OR ELIGIBLE FOR, EMPLOYER SPONSORED HEALTH INSURANCE (NOW OR IN THE NEXT THREE MONTHS)

Name:	SSN:	Minimal essential coverage?
Date when eligible to enroll:	Coverage plan premium:	
Employer Name:	Employer EIN:	
Employer Address:		
Employer Phone:	Employer Email:	
Employer Insurance Name:	Employee Contact Info:	

TAX INFORMATION, APPLICANT

(YOU CAN STILL BE ELIGIBLE FOR PROGRAMS EVEN IF YOU DON'T FILE FEDERAL INCOME TAX)

A. Will you file Income Tax Next Year (if yes, please answer questions A-C; if no, skip to question D:	
B. Will you file jointly with spouse:	Name of spouse:
C. Will you claim dependents on your tax return:	Name of dependent 1:
Name of dependent 2:	Name of dependent 3:
D. Will you be claimed as a dependent on someone's tax return:	Name of filer:

DEDUCTIONS, APPLICANT

ENTER AMOUNTS FOR ALL THAT APPLY

Alimony paid:	How often?	Student loan interest:	How often?
Other deductions:	How often?	Type:	

SIGNATURE

I'M SIGNING THIS APPLICATION UNDER PENALTY OF PERJURY WHICH MEANS I'VE PROVIDED TRUE ANSWERS TO ALL THE QUESTIONS ON THIS FORM TO THE BEST OF MY KNOWLEDGE. I KNOW THAT I MAY BE SUBJECT TO PENALTIES UNDER FEDERAL LAW IF I PROVIDE FALSE AND OR UNTRUE INFORMATION.

Signature of applicant:

Date:

v. 10/01/2013

Attachment A

TAX INFORMATION, NAME OF PERSON #1 WHO LIVES WITH YOU:			
A. Will he/she file Income Tax Next Year (If yes, please answer questions A-C; if no, skip to question D:			
B. Will he/she file jointly with spouse:		Name of spouse:	
C. Will he/she claim dependents on your tax return:		Name of dependent 1:	
Name of dependent 2:		Name of dependent 3:	
D. Will he/she be claimed as a dependent on someone's tax return:		Name of filer:	
Total Income (list next year's total income for this person):			
DEDUCTIONS, PERSON#1 WHO LIVES WITH YOU - ENTER AMOUNTS FOR ALL THAT APPLY			
Alimony paid:	How often?	Student loan interest:	How often?
Other deductions:	How often?	Type:	
TAX INFORMATION, NAME OF PERSON #2 WHO LIVES WITH YOU:			
A. Will he/she file Income Tax Next Year (If yes, please answer questions A-C; if no, skip to question D:			
B. Will he/she file jointly with spouse:		Name of spouse:	
C. Will he/she claim dependents on your tax return:		Name of dependent 1:	
Name of dependent 2:		Name of dependent 3:	
D. Will he/she be claimed as a dependent on someone's tax return:		Name of filer:	
Total Income (list next year's total income for this person):			
DEDUCTIONS, PERSON #2 WHO LIVES WITH YOU - ENTER AMOUNTS FOR ALL THAT APPLY			
Alimony paid:	How often?	Student loan interest:	How often?
Other deductions:	How often?	Type:	
TAX INFORMATION, NAME OF PERSON #3 WHO LIVES WITH YOU:			
A. Will he/she file Income Tax Next Year (If yes, please answer questions A-C; if no, skip to question D:			
B. Will he/she file jointly with spouse:		Name of spouse:	
C. Will he/she claim dependents on your tax return:		Name of dependent 1:	
Name of dependent 2:		Name of dependent 3:	
D. Will he/she be claimed as a dependent on someone's tax return:		Name of filer:	
Total Income (list next year's total income for this person):			
DEDUCTIONS, PERSON #3 WHO LIVES WITH YOU - ENTER AMOUNTS FOR ALL THAT APPLY			
Alimony paid:	How often?	Student loan interest:	How often?
Other deductions:	How often?	Type:	
TAX INFORMATION, NAME OF PERSON #4 WHO LIVES WITH YOU:			
A. Will he/she file Income Tax Next Year (If yes, please answer questions A-C; if no, skip to question D:			
B. Will he/she file jointly with spouse:		Name of spouse:	
C. Will he/she claim dependents on your tax return:		Name of dependent 1:	
Name of dependent 2:		Name of dependent 3:	
D. Will he/she be claimed as a dependent on someone's tax return:		Name of filer:	
Total Income (list next year's total income for this person):			
DEDUCTIONS, PERSON #4 WHO LIVES WITH YOU - ENTER AMOUNTS FOR ALL THAT APPLY			
Alimony paid:	How often?	Student loan interest:	How often?
Other deductions:	How often?	Type:	

v. 10/01/2013

Attachment A

COMBINED TOTAL - 101% TO 133% OF FPL PLUS CHILDLESS ADULT WAIVER

SERVICE CATEGORY	PATIENTS	VISITS	DOLLARS
1010 Facility Inpatient Non Acute	3	8	$12,124.84
1020 Facility Inpatient Long Term Care	19	29	$98,279.92
1030 Facility Inpatient Maternity	1,294	1,874	$3,931,588.49
1050 Facility Inpatient Medical	10,005	32,533	$37,109,333.19
1210 Facility Outpatient Surgery	4,387	5,815	$7,815,238.22
1220 Facility Outpatient ER	10,244	18,744	$5,009,075.48
1230 Facility Outpatient Diagnostic Services	3,536	5,228	$899,450.90
1231 Facility Outpatient Dialysis	16	137	$59,895.67
1232 Facility Outpatient DME	23	26	$496.25
1233 Facility Outpatient Home Health	87	296	$61,594.47
1234 Facility Outpatient Pharmacy	5,960	9,250	$568,950.99
1235 Facility Outpatient PT, OT, Speech Therapy	1,817	3,942	$255,128.31
1236 Facility Outpatient Specialty Drugs	367	1,005	$1,253,808.94
1237 Facility Outpatient Supplies and Devices	1,144	1,863	$83,679.46
1238 Facility Outpatient Transportation	152	196	$71,364.97
1299 Facility Outpatient Other	27,119	100,584	$8,634,295.36
2010 Physician Specialty Inpatient	12	21	$2,750.06
2020 Physician Non-Specialty Inpatient	3,837	10,091	$2,371,722.90
2115 Physician Specialty Outpatient Surgery	108	140	$31,195.25
2120 Physician Specialty ER	13	14	$302.64
2125 Physician Specialty Office Visits	1,043	1,787	$79,441.91
2139 Physician Specialty Outpatient Other	389	673	$47,579.35
2155 Physician Non-Specialty Outpatient Surgery	4,711	6,132	$1,875,198.55
2160 Physician Non-Specialty ER	14,879	26,744	$1,111,416.92
2165 Physician Non-Specialty Office Visits	22,414	70,782	$3,189,411.23
2199 Physician Non-Specialty Outpatient Other	9,144	18,171	$766,544.00
2225 Professional Office Visits	12,388	25,850	$1,174,037.84
2227 Professional Chiropractic Services	1,675	7,796	$157,679.13
2230 Professional Diagnostic Services	6,886	12,034	$567,780.87
2231 Professional Dialysis	20	125	$7,570.35
2232 Professional DME	897	2,752	$450,598.97
2233 Professional Home Health	32	298	$130,629.61
2235 Professional PT, OT, Speech Therapy	2,235	8,183	$256,878.70
2236 Professional Specialty Drugs	144	455	$196,809.11
2237 Professional Supplies and Devices	2,601	5,925	$647,248.76
2238 Professional Transportation	4,440	41,692	$3,098,740.44
2240 Professional Injections	2,846	5,813	$698,035.08
2299 Professional Services Other	11,351	17,944	$1,316,073.36
3010 Mental Health Inpatient	1,048	2,395	$1,631,903.24
3025 Mental Health Office Visits	4,605	9,371	$468,357.90
3030 Mental Health Other Outpatient	11,557	87,765	$10,789,235.58
3050 Substance Abuse Inpatient	734	3,281	$2,957,530.93
3065 Substance Abuse Office Visits	878	3,903	$227,389.76

Attachment A

COMBINED TOTAL - 101% TO 133% OF FPL PLUS CHILDLESS ADULT WAIVER

SERVICE CATEGORY	PATIENTS	VISITS	DOLLARS
3070 Substance Abuse Other Outpatient	4,042	60,662	$6,696,400.79
4051 Laboratory Outpatient Chemistry Tests	15,425	31,795	$1,320,269.23
4055 Laboratory Outpatient Pathology	9,310	12,106	$401,534.79
4099 Laboratory Outpatient Other	19,776	46,175	$935,604.96
4561 Radiology Outpatient CT Scans	3,206	3,898	$579,627.81
4562 Radiology Outpatient Mammograms	4,711	6,235	$231,293.54
4563 Radiology Outpatient MRIs	4,545	5,490	$1,116,154.48
4564 Radiology Outpatient Nuclear Medicine	1,119	1,222	$217,136.83
4566 Radiology Outpatient Therapeutic Radiology	85	317	$282,086.50
4567 Radiology Outpatient Ultrasounds	8,072	13,475	$1,080,009.91
4568 Radiology Outpatient X-Rays	11,950	18,841	$514,338.73
4599 Radiology Outpatient Other	1,474	1,679	$76,763.68
5070 Prescription Specialty Drugs	424	1,635	$2,935,453.10
5075 Prescription Drugs Retail	34,611	382,690	$22,567,249.96
8090 Dental	4,081	7,262	$1,722,962.05
GRAND TOTAL	**309,891**	**1,145,149**	**$140,793,254.26**

NOTE: The PATIENTS column is an unduplicated count of persons who utilized a particular service - it is NOT a count of members.

Attachment A

Paul R. LePage, Governor Mary C. Mayhew, Commissioner

Department of Health and Human Services
Commissioner's Office
221 State Street
11 State House Station
Augusta, Maine 04333-0011
Tel.: (207) 287-3707; Fax (207) 287-3005
TTY Users: Dial 711 (Maine Relay)

To: Senator Margaret M. Craven, Senate Chair
Representative Sharon Anglin Treat, House Chair
Members of the Maine Health Exchange Advisory Committee

From: Mary C. Mayhew, Commissioner, Department of Health and Human Services

Re: Maine Health Exchange Advisory Committee questions to the Department of Health and Human Services.

1. Please provide an update on the # of referrals DHHS has received from the Federally-facilitated marketplace (FFM) for individuals assessed as potentiality eligible for MaineCare. How many individuals have been determined eligible and enrolled for coverage under current eligibility rules and under eligibility rules beginning January 1, 2014? How many individuals have been determined ineligible for MaineCare and referred back to the FFM for enrollment in a qualified health plan?

   Response: CMS is unable to send the application/account transfers at this time. They are sending a weekly file to FFM/assessment states which provides a name and an address of those individuals they have assessed that may be MaineCare eligible. Thus far, Maine has received 733 unique households consisting of 1477 individuals that have applied at the FFM and were assessed as potentially eligible for MaineCare; approximately 21% of these applications refer to an inconsistency in citizenship and income between the self-attested application answers and FFM data sources that ultimately will require the State to reconcile once the FFM is fully functional on its Account Transfer capabilities. Due to the lack of the application/account transfer at this time from CMS, we are unable to process this information until CMS is technically prepared to transfer the required MAGI application for which a specific date has not yet been provided (ballpark estimate is end of November'13 / December'13)

   For applications taken by the Department; determined eligible for MaineCare under MAGI rules after being determined ineligible under non-MAGI existing rules. These cases will be opened January 1, 2014.

Oct-13			
Code	**Program**	**Cases**	**Clients**
MG19	MAGI Children age < 19	7	9
MG20	MAGI Children age 19 '&' 20	3	3
MGCC	MAGI Cub Care	2	2
MGPC	MAGI Parent/Caretaker Relatives	5	5

Nov-13			
Code	**Program**	**Cases**	**Clients**
MG19	MAGI Children age < 19	9	10
MG20	MAGI Children age 19 '&' 20	4	4

Attachment A

MGPC	MAGI Parent/Caretaker Relatives	9	11
MGPR	MAGI Pregnant and Postpartum Women	1	1

Dec-13			
Code	**Program**	**Cases**	**Clients**
MG19	MAGI Children age < 19	42	54
MG20	MAGI Children age 19 '&' 20	41	42
MGCC	MAGI Cub Care	22	33
MGPC	MAGI Parent/Caretaker Relatives	116	134
MGPR	MAGI Pregnant and Postpartum Women	3	3

Determined ineligible for MaineCare under MAGI rules and under non-MAGI existing rules. Will be sent to the FFM.

Oct-13			
Code	**Program**	**Cases**	**Clients**
MG19	MAGI Children age < 19	16	20
MG20	MAGI Children age 19 '&' 20	4	4
MGCC	MAGI Cub Care	8	10
MGPC	MAGI Parent/Caretaker Relatives	24	35
MGPR	MAGI Pregnant and Postpartum Women	3	3
MGU1	MAGI Children under 1	1	1

Nov-13			
Code	**Program**	**Cases**	**Clients**
MG19	MAGI Children age < 19	23	28
MG20	MAGI Children age 19 '&' 20	8	8
MGCC	MAGI Cub Care	14	16
MGPC	MAGI Parent/Caretaker Relatives	42	62
MGPR	MAGI Pregnant and Postpartum Women	3	3
MGU1	MAGI Children under 1	1	1

Dec-13			
Code	**Program**	**Cases**	**Clients**
MG19	MAGI Children age < 19	114	155
MG20	MAGI Children age 19 '&' 20	20	22
MGCC	MAGI Cub Care	58	70
MGPC	MAGI Parent/Caretaker Relatives	413	574
MGPR	MAGI Pregnant and Postpartum Women	11	11
MGU1	MAGI Children under 1	2	2

2. Please provide an update on the anticipated implementation of MAGI rules (10/28/13) and the Account Transfer (AT) process (11/15/13). Have any issues been identified that may delay implementation? See DHHS response to Question #2 in October 18th memo.

   Response: The MAGI Rules were successfully deployed on 11/4/13 and the Account Transfer deployment date will be prior to the end of the year, but we will not have a date until the final design is complete. We were asked to change direction in our priority by CMS from focus on SOM - FFM to FFM - SOM. We have since re-prioritized to our original based on CMS not being prepared to transfer full application data to the states.

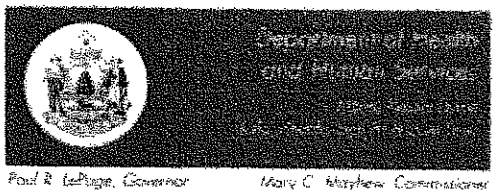
3. Please provide a timeline or benchmark dates for implementation of the Business Process and IT Modernization project. See DHHS response to Question #7 in October 18th memo.

   Response: We are in the early stages of planning and have developed and received DHHS Executive Management Team consensus on strategic guiding principles and prioritization criteria. We will be conducting workshops over the next several weeks with various subject matter experts across the DHHS offices and technology resources. These workshops are intended to develop the initial scope and milestones for the initiative which will inform the Expedited Advance Planning Document (EAPD) we plan to submit to CMS by 1/30/14. A detailed implementation roadmap based on prioritization is targeted preliminarily for end of Q2'14.

4. Please provide demographic information on the 1345 individuals enrolled in the PHIP program. What is the retention rate for those enrolled in PHIP coverage? See DHHS response to Question #8 in October 18th memo.

   Response: Will provide at a later date.

Attachment A



Paul R. LePage, Governor Mary C. Mayhew, Commissioner

Department of Health and Human Services
Commissioner's Office
221 State Street
11 State House Station
Augusta, Maine 04333-0011
Tel.: (207) 287-3707; Fax (207) 287-3005
TTY Users: Dial 711 (Maine Relay)

To: Senator Margaret M. Craven, Senate Chair
Representative Sharon Anglin Treat, House Chair
Members of the Maine Health Exchange Advisory Committee

From: Mary C. Mayhew, Commissioner, Department of Health and Human Services

Re: Maine Health Exchange Advisory Committee questions to the Department of Health and Human Services.

1. Please provide a current update on the # of referrals DHHS has received from the Federally-facilitated marketplace (FFM) for individuals assessed as potentiality eligible for MaineCare. How many individuals have been determined eligible and enrolled for coverage under current eligibility rules and under eligibility rules beginning January 1, 2014? How many individuals have been determined ineligible for MaineCare and referred back to the FFM for enrollment in a qualified health plan? DHHS provided this information on November 18th; the Advisory Committee is interested in the most up-to-date information.

   Response: CMS is unable to send the application/account transfers at this time. They are sending a weekly file to FFM/assessment states which provides a name and an address of those individuals they have assessed that may be MaineCare eligible. Thus far, Maine has received 874 unique households consisting of 1799 individuals that have applied at the FFM and were assessed as potentially eligible for MaineCare. Due to the lack of the application/account transfer at this time from CMS, we are unable to process this information until CMS is technically prepared to transfer the required MAGI application for which a specific date has not yet been provided.

   Since 10/1/2013 The State of Maine has had 1300 individuals apply for MaineCare via the State that were determined ineligible when their application was processed against our current non-MAGI rules. DHHS has processed those 1300 applications against the MAGI rules and have determined that 361 of the 1300 are eligible for MaineCare when employing the MAGI rules. The 361 have been notified and are scheduled for enrollment in MaineCare on 1/1/2014. The remainder have been notified and directed to the FFM.

2. Please provide information according to town of residence for those individuals identified by DHHS (and notified) who have lost eligibility or will lose eligibility for MaineCare coverage by category.

   Response: Data will be sent shortly to respond.

3. Is DHHS providing any outreach or education about coverage alternatives through the FFM for those individuals determined ineligible for MaineCare? Please provide any notices or documents that are being used.

   Response: Notices of decision when ineligible for MaineCare will include notice that the FFM will be receiving their information and contacting them regarding other coverage alternatives.

4. Please provide demographic information on the 1345 individuals enrolled in the PHIP program. What is the retention rate for those enrolled in PHIP coverage? See DHHS response to Question #8 in October 18th memo. DHHS indicated on November 18th that this information would be forthcoming.

   Response: Please see the spreadsheet below.

Attachment A

49670 PHIP Member Count by location w gender & age group

Time Period: Paid Month	Aug 2013
Subsets	PHIP Members
	Members

County Current	Gender	Age In Years	
Androscoggin	Female	18 and under	43
		19 and over	42
	Male	18 and under	37
		19 and over	24
Aroostook	Female	18 and under	12
		19 and over	10
	Male	18 and under	11
		19 and over	11
Cumberland	Female	18 and under	68
		19 and over	61
	Male	18 and under	71
		19 and over	49
Franklin	Female	18 and under	12
		19 and over	7
	Male	18 and under	8
		19 and over	8
Hancock	Female	18 and under	8
		19 and over	6
	Male	18 and under	9
		19 and over	5
Kennebec	Female	18 and under	53
		19 and over	61
	Male	18 and under	58
		19 and over	29
Knox	Female	18 and under	7
		19 and over	14
	Male	18 and under	15
		19 and over	11
Lincoln	Female	18 and under	7
		19 and over	4
	Male	18 and under	10
		19 and over	7
Oxford	Female	18 and under	43
		19 and over	36
	Male	18 and under	49
		19 and over	23

Attachment A

County Current	Gender	Age In Years	
Penobscot	Female	18 and under	24
		19 and over	21
	Male	18 and under	32
		19 and over	18
Piscataquis	Female	18 and under	4
		19 and over	3
	Male	18 and under	3
		19 and over	1
Sagadahoc	Female	18 and under	7
		19 and over	8
	Male	18 and under	16
		19 and over	3
Somerset	Female	18 and under	24
		19 and over	17
	Male	18 and under	16
		19 and over	11
Strafford	Female	18 and under	2
		19 and over	1
	Male	19 and over	1
Waldo	Female	18 and under	17
		19 and over	14
	Male	18 and under	13
		19 and over	14
Washington	Female	18 and under	2
		19 and over	3
	Male	18 and under	2
		19 and over	1
York	Female	18 and under	41
		19 and over	28
	Male	18 and under	39
		19 and over	32

Maine State Innovation Model Objectives and Targets

Legend: OMS, OC, HIN, CDC, MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver **Data-Informed Policy, Practice and Payment Decisions**	**Objective:** Provide real-time notifications from the HIE to MaineCare and Health System Care Managers when MaineCare members are admitted or discharged from inpatient and emergency room settings across all provider organizations connected to the HIE	<u>Go Live Target:</u> October 1, 2013: Notifications available to 1,6001 Medicaid Providers & Care Managers across the state. <u>Year 1 Target:</u> Increase weekly average from 4502 to 5500 unique provider organization users either accessing the ED notifications or the HIE portal				<u>Year 2 Targets:</u> 1) Increase making notifications available to 1,800 Medicaid Provider and Care Managers/Care Coordinators. 2) Increase to average of 600 unique provider organization users either accessing the ED notifications or the HIE portal per week.				<u>Year 3 Targets:</u> 1) Increase making notifications available to 2,000 Medicaid Provider & Care Managers/Care Coordinators. 2) Increase to an average of 800 unique provider organization users either accessing the ED notifications or the HIE portal per week.			
	Objective: Provide HIT and HIE adoption incentives to up to 20 Behavioral Health provider sites/organizations	<u>Go Live Target:</u> RFP requirements prepared for presentation to DIS. <u>Year 1 Targets:</u> 20 Behavioral health organizations3 demonstrate live use				<u>Year 2 Targets:</u> 20 organizations have access to the HIE portal and notifications and milestone 2 incentive delivered.				<u>Year 3 Targets:</u> All 20 organization's participating in e-quality measurement using the data submitted to the HIE and milestone 3 incentive delivered.			
	Objective: Provide Health Information Exchange access to Behavioral Health providers	<u>Go Live Target:</u> RFP requirements prepared for presentation to DIS. <u>Year 1 Targets:</u> Up to 5 sites go live with bi-directional HIE participation.				<u>Year 2 Targets:</u> Up to 7 sites go live with bi-directional HIE participation.				<u>Year 3 Targets:</u> Up to 10 sites go live with bi-directional HIE participation.			
	Objective: Provide a clinical dashboard to MaineCare from the HIE enabling MaineCare to clinically monitor MaineCare members' health care utilization and outcomes at the population and individual level. Develop and deploy real-time discrete data feeds for MaineCare Prescription data to HIN.	<u>Go Live Target:</u> Provide MaineCare BAA and DUA for AAG review and approval. <u>Year 1 Targets:</u> 1. Consistent meeting with MaineCare established for MaineCare IT staff to facilitate discrete medication feeds and roles for the dashboard access. 2. DIS approval of data access strategy. 3. Go-Live with real-time medication feeds 4. Establishment of VPNs for MaineCare to access dashboard. 5. Provide training for MaineCare staff in Dashboard use. 6. Make 291,000+ population data available in HIN Dashboard.				<u>Year 2 Targets:</u> 1. Continued provision of Dashboard to MaineCare. 2. Consistent data flow for MaineCare medication information into the HIE.				<u>Year 3 Targets:</u> 1. Continued provision of Dashboard to MaineCare. 2. Consistent data flow for MaineCare medication information into the HIE.			

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS / QC / HIN / CDS / MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver	**Objective:**												
Data-Informed Policy, Practice and Payment Decisions	Provide Maine patients with access to their statewide HIE record leveraging the "Blue Button" standards promoted by the Office of the National Coordinator for HIT (ONC). HIN will conduct a twelve month pilot with a provider organization to make the patient chart available via a certified EHR portal administered by the pilot site.	Go Live Target: As of October 1, 2013, criteria for PHR pilot prepared and finalized for presentation to the DIS in October. Year 1 targets: Establishment of contract with pilot site, establish project management process for implementation, implementation of PHR CCD export by month 6. Demonstrated download of CCD by 5%5 of the pilot sites active PHR users w/in go-live period of project.											
	Ensure effective management of SIM Payment Reform Subcommittee to promote sustainability of reform developed through SIM.	Go Live Target: Identify membership for Payment Reform Subcommittee . Year 1 Target: Provide support for Subcommittee in manner that supports active participation of membership.				Year 2 Targets: Provide support for Subcommittee in manner that supports active participation of membership.				Year 3 Targets: Provide support for Subcommittee in manner that supports active participation of membership.			
	Health information to influence market forces and inform policy: track health care costs	Year 1 Target: Build claims database that spans Medicare, MaineCare and commercial populations of Maine. This will represent approximately 900k covered lives who are eligible to receive services from Maine's provider community. Providers include all 39 Maine hospitals and all other non-hopsital providers in the state who contract with one or more commercial carriers, Medicare and/or MaineCare. (2) Develop/refine appropriate metrics and approach to measuring and tracking cost of care over time. (3) Publish initial edition of Healthcare Cost Fact Book and convene CEO Roundtable.				Year 2 Targets: (1) Maintain access to broadbased dataset. (2) Publish two updated editions of Fact Book. (3) Convene 2 additional CEO Roundtables, increasing attendance from 20 to 30 opinion leaders.				Year 3 Targets: (1) Maintain access to broadbased dataset. (2) Issue two additional updates of Fact book. (3) Convene two additional CEO Roundtables, increasing attendance from 30 to 50 CEOs.			

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS / QC / HIN / CDC / MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver Data-Informed Policy, Practice and Payment Decisions	**Objective:**												
	Health information to influence market forces and inform policy: value based benefit design.	<u>Year 1 Targets:</u> (1) Adoption of core set of metrics against which plan designs may be benchmarked.				<u>Year 2 Targets:</u> (1) Refined metrics, as appropriate, based on trends and on market experience (2) Increase in number of covered lives enrolled in plans incorporating narrowly constructed VBID , to include alignment of copays/deductibles, utilization of high value providers as determinded by MHMC Get Better				<u>Year 3 Targets:</u> (1) Refined metrics, as appropriate, based on trends and on market experience			
	Health information to influency market forces and inform policy: identify common metrics across payers for public reporting and alignment with payment through the work of the PTE Workgroups.	<u>Go Live Target:</u> Group will come into Testing Phase ready to work, having established ground rules Identified candidates for PTE BH workgroup. <u>Year 1 Target:</u> Identification of core metrics for reporting, vetted and approved through PTE and Board. Publish initial benchmarked rankings. Percent of Maine residents covered by alternative payment arrangement grows to 219,982 or 17%. Identification of core metric set for Behavioral Health (integration and quality) Identify core metrics for Adv Primary Care Recognition				<u>Year 2 Targets:</u> Learning collaborative tracking metrics identified not only for public reporting, but a separate set of metrics identified for use in learning. Number of Maine residents covered by an alternative payment arrangement grows to almost 462k, or 35.5% of population Finalization of metrics for BH; publish first set of metrics All metrics updated as appropriate				<u>Year 3 Targets:</u> Percent of Maine residents covered by alternative payment arrangements grows to 789,936 or 61%. This puts on a trajectory to reach 80% coverage at the end of 5 years from start of test year. All metrics updated as appropriate			

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS / QC / HIN / CDC / MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver	**Objective:**												
Data-Informed Policy, Practice and Payment Decisions	Ensure effective management of SIM Payment Reform Subcommittee to promote sustainability of reform developed through SIM	**Go Live Target:** Identify membership for Payment Reform Subcommittee . **Year 1 Target:** Provide support for Subcommittee in manner that supports active participation of membership.				**Year 2 Targets:** Provide support for Subcommittee in manner that supports active participation of membership.				**Year 3 Targets:** Provide support for Subcommittee in manner that supports active participation of membership.			
Health Information for Consumers/Improved Continuum of Care	Provide Health Information Exchange access to Behavioral Health providers.	**Go Live Target:** RFP requirements prepared for presentation to DIS. **Year 1 Targets:**				**Year 2 Targets:** Up to 7 sites go live with bi-directional HIE participation.				**Year 3 Targets:** Up to 10 sites go live with bi-directional HIE participation.			
	Provide Maine patients with access to their statewide HIE record leveraging the "Blue Button" standards promoted by the Office of the National Coordinator for HIT (ONC). HIN will conduct a twelve month pilot with a provider organization to make the patient chart available via a certified EHR portal administered by the pilot site.	**Go Live Target:** As of October 1, 2013, criteria for PHR pilot prepared and finalized for presentation to the DIS in October. **Year 1 targets:** Establishment of contract with pilot site, establish project management process for implementation, implementation of PHR CCD export by month 6. Demonstrated download of CCD by 5% of the pilot sites active PHR users w/in go-live period of											

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS / DC / HIN / CDC / MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver	**Objective:**												
Health Information for Consumers/Improved Continuum of Care	Provide Learning Collaborative for MaineCare Health Homes	<u>Go Live Target:</u> Launch Learning Collaborative to 82 new HH primary care practices, for a total of 157 participating HH practices; determine final NCQA status of 10 high risk practices (may not meet participation requirements by 12/31/13). Addition of 82 HH only practices reaches approximately 257,000 additional active (seen in past 2 years) patients with the medical home model. <u>Year 1 Target:</u> Implement PCMH/HH Learning Collaborative, offering supporting for 100% of participating practices; provide QI support to ensure that ≥75% of the new 82 HH practices reach Must-Pass elements; and ≥75% practices implement Year 2 MaineCare screening requirements. Total combined active (seen in the past 2 years) patients reached with				<u>Year 2 Targets:</u> Clarify status of Maine enhanced payment for primary care practices, facilitating Learning Collaborative accordingly; Sustain PCMH/HH Learning Collaborative offering support for 100% of Year 2 participating primary care practices; Total combined active (seen in the past 2 years) patients reached with the medical/health				<u>Year 3 Targets:</u> Facilitate the Learning Collaborative offering support for 100% of Year 3 participating practices; Total combined active (seen in the past 2 years) patients reached with the medical/health home Learning Collaborative approximates 432,000 individuals.			
	Ensure effective management of SIM Delivery System Reform Subcommittee to promote sustainability of reform through SIM	<u>Go Live Target:</u> Identify membership for Delivery System Reform Subcommittee. <u>Year 1 Target:</u> Provide support for Subcommittee in manner that supports active participation of membership.				<u>Year 2 Targets:</u> Provide support for Subcommittee in manner that supports active participation of membership.				<u>Year 3 Targets:</u> Provide support for Subcommittee in manner that supports active participation of membership.			

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS / QC / HIN / CDC / MHM		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver	**Objective:**												
Health Information for Consumers/Improved Continuum of Care	Provide Primary Care providers access to claims data for their patient panels (portals).	<u>Year 1 Target:</u> Complete design of portal and required analytics; data for MaineCare, Medicare and commercial populaionts will first be segregated with separate access due to challenges associated with the fundamental differences between the populations and the different risk profiles of the populations. Adoption by providers is voluntary, but it is estimated that 50 practices10will adopt the				<u>Year 2 Targets:</u> Deliver portal functionality to all requesting providers. Estimated additional uptake: est. 20%, bearing in mind that adoption is voluntary.				<u>Year 3 Targets:</u> Deliver portal functionality to all requesting providers. Estimated additional uptake: est. 20%, bearing in mind that adoption is voluntary.			
	Consumer engagement and education regarding payment and system delivery reform	<u>Year 1 Target:</u> Educate brokers, patient advocates, HR Specialists, union leaders on merits of VBID. Outreach to 200 people.				<u>Year 2 Targets:</u> Continue education and outreach efforts, reaching for all major payer organizations and MaineCare.				<u>Year 3 Targets:</u> Continued outreach and education; reaching an additional 200 providers and indivduals.			
	Implementation of the National Diabetes Prevention Program (NDPP)	<u>Go Live Target:</u> NDPP delivery reimbursement for contracted NDPP provider sites to MaineCare beneficiaries <u>Year 1 Target:</u> 5 out of 15 NDPP provider sites have written agreements and are delivering NDPP to MaineCare beneficiaries				<u>Year 2 Targets:</u> 1) Policy developed by MaineCare and Maine CDC to support the sustainable structure for NDPP reimbursement. 2) PCMH/ACO care delivery structures are utilizing pre-diabetes/diabetes algorithm to				<u>Year 3 Targets:</u> 1) Over 15 NDPP provider sites have written agreements and are delivering NDPP to MaineCare beneficiaries. 2) 300 out of 29,312 NDPP eligible beneficiaries have completed program over 3 years of SIM			

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS | QE | HIN | CDC | MHMC

		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver	**Objective:**												
Health Information for Consumers/Improved Continuum of Care	CHW Pilot Project.	**Go Live Target:** Transformed healthcare system integrates community health workers through a pilot that demonstrates CHWs as an effective, sustainable element. **Year 1 Target:** 1. Contracts for 5 CHW Pilot sites in place. 2. The 5 CHW pilot sites will have formal referral mechanisms with at least one and up to 3 providers.				**Year 2 Targets:** 1. CHW clients identified with a caseload of 15-20 clients for intensive service, and 30-50 clients for less				**Year 3 Targets:** 1. CHW clients identified with a caseload of 15-20 clients for intensive service, and 30-50 clients for			
	Implement MaineCare Behavioral Health Homes Initiative	**Year 1 Target:** Successfully recruit 15 Behavioral Health Home organizations (BHHOs) with 7000 enrolled members with SMI/ SED. There are 75 Behavioral Health Organizations that currently provide services beingtransformed through Behavioral Health Homes, and about 24,000 members with SMI/SED.				**Year 2 Targets:** Increase enrolled members to 7700. 3 in-person learning sessions annually, monthly working group, monthly phone and webinar support for 15 BHHOs and partnering practices. There are 75 Behavioral Health Organizations that currently provide services beingtransformed through Behavioral Health Homes, and about 24,000 members with SMI/SED.				**Year 3 Targets:** Increase enrolled members to 8500 total. 3 in-person learning sessions annually, monthly working group, monthly phone and webinar support for 15 BHHOs and partnering practices. There are 75 Behavioral Health Organizations that currently provide services beingtransformed through Behavioral Health Homes, and about 24,000 members with SMI/SED.			
	Develop and implement Physical Health Integration workforce development component to Mental Health Rehabilitation Technician/Community (MHRT/C) Certification curriculum.	**Year 1 Target:** Curriculum and training plan developed for Physical Health Integration ocmponent to Mental Health Rehabilitation Technician/Community Training.				**Year 2 Targets:** 500 direct service behavioral health individual providers trained in physical health integration.							

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS / QC / HIN / CDC / MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver	**Objective:**												
Health Information for Consumers	Provide training to Primary Care Practices on serving youth and adults with Autism Spectrum Disorder and Intellectual Disabilities.	<u>Year 1 Target:</u> Curriculum and training plan developed for Adult Practice Sites Curriculum piloted at 5 Adult Practice Sites Training conducted at 15 pediatric sites				<u>Year 2 Targets:</u> Training conducted at 30 pediatric sites Training conducted at 55 adult practice sites				<u>Year 3 Targets:</u> Training conducted at 15 pediatric sites Training conducted at 60 adult practice sites			
Consumer Engagement	Provide Maine patients with access to their statewide HIE record leveraging the "Blue Button" standards promoted by the Office of the National Coordinator for HIT (ONC). HIN will conduct a twelve month pilot with a provider organization to make the patient chart available via a certified EHR portal administered by the pilot site.	<u>Go Live Target:</u> As of October 1, 2013, criteria for PHR pilot prepared and finalized for presentation to the DIS in October. <u>Year 1 targets:</u> Establishment of contract with pilot site, establish project management process for implementation, implementation of PHR CCD export by month 6. Demonstrated download of CCD by 5% of the pilot sites active PHR users w/in go-live											
Health Information for Providers	Provide Maine patients with access to their statewide HIE record leveraging the "Blue Button" standards promoted by the Office of the National Coordinator for HIT (ONC). HIN will conduct a twelve month pilot with a provider organization to make the patient chart available via a certified EHR portal administered by the pilot site.	<u>Go Live Target:</u> As of October 1, 2013, criteria for PHR pilot prepared and finalized for presentation to the DIS in October. <u>Year 1 targets:</u> Establishment of contract with pilot site, establish project management process for implementation, implementation of PHR CCD export by month 6. Demonstrated download of CCD by 5% of the pilot sites active PHR users w/in go-live period of project.											

Attachment B

Maine State Innovation Model Objectives and Targets

	Legend: OMS / QC / HIN / CDC / MHMC	Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver	**Objective:**												
Health Information for Providers	Provide Primary Care providers access to claims data for their patient panels (portals).	<u>Year 1 Target:</u> Complete design of portal and required analytics; data for MaineCare, Medicare and commercial populaionts will first be segregated with separate access due to challenges associated with the fundamental differences between the populations and the different risk profiles of the				<u>Year 2 Targets:</u>				<u>Year 3 Targets:</u>			
	Provide practice reports reflecting practice performance on outcomes measures	<u>Year 1 Target:</u> Produce practice reports for all primary care practices indicating their interest in receiving them. While we will be able to produce reports for any primary care practice that serve a critical mass of patients, practices themselves must make the decision to actively request, review and use the reports. PCMH practices represent approximately 25% of primary care practices; all receive the reports. We estimated 10% of non-PCMH practices will choose to receive reports in Year One. Each new practice will receive an outreach visit.				<u>Year 2 Target:</u> Produce practice reports for all primary care practices indicating their interest in receiving them. We estimate that there will be an incremental increase of 10% in take up of reports in Year Two. Each new practice will receive an outreach visit.				<u>Year 3 Target:</u> Produce practice reports for all primary care practices indicating their interest in receiving them. Estimated new uptake is 15%, bringing "coverage" with practice reports to approx 50% of PC practices. Each new practice will receive an outreach visit.			

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS, OC, HIN, CDC, MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver Health Information for Providers	**Objective:**												
	Implementation of the National Diabetes Prevention Program (NDPP)	<u>Go Live Target:</u> NDPP delivery reimbursement for contracted NDPP provider sites to MaineCare beneficiaries.				<u>Year 2 Targets:</u> 1) Policy developed by MaineCare and Maine CDC to support the sustainable structure for NDPP reimbursement.				<u>Year 3 Targets:</u> 1) Over 15 NDPP provider sites have written agreements and are delivering NDPP to			
	CHW Pilot Project	<u>Go Live Target:</u> Transformed healthcare system integrates community health workers through a pilot that demonstrates CHWs as an effective, sustainable element. <u>Year 1 Target:</u> 1. Contracts for 5 CHW Pilot sites in place. 2. The 5 CHW pilot sites will have formal referral mechanisms with at least one and up to 3 providers.				<u>Year 2 Targets:</u> 1. CHW clients identified with a caseload of 15-20 clients for intensive service, and 30-50 clients for less intensive service.				<u>Year 3 Targets:</u> 1. CHW clients identified with a caseload of 15-20 clients for intensive service, and 30-50 clients for less intensive service.			
	Develop and implement Physical Health Integration workforce development component to Mental Health Rehabilitation Technician/Community (MHRT/C) Certification curriculum.	<u>Year 1 Target:</u> Curriculum and training plan developed for Physical Health Integration component to Mental Health Rehabilitation Technician/Community Training.				<u>Year 2 Targets:</u> 500 direct service behavioral health individual providers trained in physical health integration.							

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS / QC / HIN / CDC / MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver(s)	**Objective:**												
Health Information for Providers	Provide training to Primary Care Practices on serving youth and adults with Autism Spectrum Disorder and Intellectual Disabilities	<u>Year 1 Target:</u> Curriculum and training plan developed for Adult Practice Sites Curriculum piloted at 5 Adult Practice Sites Training conducted at 15 pediatric sites There are over 400 primary care practice sites in Maine.				<u>Year 2 Targets:</u> Training conducted at 30 pediatric sites Training conducted at 55 adult practice sites				<u>Year 3 Targets:</u> Training conducted at 15 pediatric sites Training conducted at 60 adult practice sites			
Aligned Payment Models	Ensure effective management of SIM Payment Reform Subcommittee to promote sustainability of reform developed through SIM.	<u>Go Live Target:</u> Identify membership for Payment Reform Subcommittee. <u>Year 1 Target:</u> Provide support for Subcommittee in manner that supports active participation of membership.				<u>Year 2 Targets:</u> Provide support for Subcommittee in manner that supports active participation of membership.				<u>Year 3 Targets:</u> Provide support for Subcommittee in manner that supports active participation of membership.			
	Implementation of the National Diabetes Prevention Program (NDPP).	<u>Go Live Target:</u> NDPP delivery reimbursement for contracted NDPP provider sites to MaineCare beneficiaries. <u>Year 1 Target:</u> 5 out of 15 NDPP provider sites have written agreements and are delivering NDPP to MaineCare beneficiaries.				<u>Year 2 Targets:</u> 1) Policy developed by MaineCare and Maine CDC to support the sustainable structure for NDPP reimbursement. 2) PCMH/ACO care delivery structures are utilizing pre-diabetes/diabetes algorithm to				<u>Year 3 Targets:</u> 1) Over 15 NDPP provider sites have written agreements and are delivering NDPP to MaineCare beneficiaries. 2) 300 out of 29,312 NDPP eligible beneficiaries have completed program over 3 years of SIM			

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS / OC / HIN / CDC / MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver(s)	**Objective:**												
Improved Continuum of Care/Aligned Payment Models	CHW Pilot Project	<u>Go Live Target:</u> Transformed healthcare system integrates community health workers through a pilot that demonstrates CHWs as an effective, sustainable element. <u>Year 1 Target:</u> 1. Contracts for 5 CHW Pilot sites in place. 2. The 5 CHW pilot sites will have formal referral mechanisms with at least one and up to 3 providers.				<u>Year 2 Targets:</u> 1. CHW clients identified with a caseload of 15-20 clients for intensive service, and 30-50 clients for less intensive service.				<u>Year 3 Targets:</u> 1. CHW clients identified with a caseload of 15-20 clients for intensive service, and 30-50 clients for less intensive service.			
	Implement MaineCare Accountable Communities Shared Savings ACO Initiative	<u>Go Live Target:</u> Issue RFA <u>Year 1 Target:</u> Implement Accountable Communities that impact 50,000 patient lives above and beyond those impacted through Medical Homes, 3.8% of Maine's 1.3M population. Patients are not limited to MaineCare members attributed under Accountable Communities, since all patients, regardless of attribution status and payer, should be impacted through improved care coordination incented under model. Achieve participation from 6 Accountable Communities, including providers under current Medicare and commercial ACOs within the State (all 4 major health systems plus group of FQHC's). Achieve 25,000 MaineCare lives to Accountable Communities, 8.9% of the 281,000 MaineCare population.				<u>Year 2 Targets:</u> Provide all Accountable Communities with monthly utilization reports drilled down to the Primary Care practice level, and quarterly reports on actual TCOC to date and quality benchmark achievement. Achieve participation by all MaineCare Accountable Communities in 90% of bimonthly ACI learning collaborative meetings. Implement Accountable Communities that impact an additional 5,000 patient lives above and beyond those impacted through Medical Homes, reaching 4.2% of Maine's population. Achieve participation from 2 additional Accountable Communities. Achieve attribution of additional 2,700 MaineCare lives to Accountable Communities, 9.8% of the MaineCare				<u>Year 3 Targets:</u> Provide all Accountable Communities with monthly utilization reports drilled down to the Primary Care practice level, and quarterly reports on actual TCOC to date and quality benchmark achievement. Achieve participation by all MaineCare Accountable Communities in 90% of bimonthly ACI learning collaborative meetings. Implement Accountable Communities that impact an additional 5,500 patient lives above and beyond those impacted through Medical Homes, reaching 4.6% of Maine's population. Achieve participation from 2 additional Accountable Communities. Achieve attribution of additional 2,000 MaineCare lives to Accountable Communities, 10.5% of the MaineCare			

Attachment B

Maine State Innovation Model Objectives and Targets

Legend: OMS QC HIN CDC MHMC		Year 1 10/1/13-9/30/14				Year 2 10/1/14-9/30/15				Year 3 10/1/15-9/30/16			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Secondary Driver(s) Aligned Payment Models	**Objective:**												
	Implement MaineCare Behavioral Health Homes initiative	<u>Year 1 Target:</u> Successfully recruit 15 Behavioral Health Home organizations (BHHOs) with 7000 enrolled members with SMI/ SED. There are 75 Behavioral Health Organizations that currently provide services beingtransformed through Behavioral Health Homes, and about 24,000 members with SMI/SED.				<u>Year 2 Targets:</u> Increase enrolled members to 7700. 3 in-person learning sessions annually, monthly working group, monthly phone and webinar support for 15 BHHOs and partnering practices. There are 75 Behavioral Health Organizations that currently provide services beingtransformed through Behavioral Health Homes, and about 24,000 members with SMI/SED.				<u>Year 3 Targets:</u> Increase enrolled members to 8500 total. 3 in-person learning sessions annually, monthly working group, monthly phone and webinar support for 15 BHHOs and partnering practices. There are 75 Behavioral Health Organizations that currently provide services beingtransformed through Behavioral Health Homes, and about 24,000 members with SMI/SED.			
Health Information for Consumers	Patient Engagement Communication Project	<u>Go Live Target:</u> Public supported with health communication messages that promote appropriate use of healthcare services and value of CHWs.				<u>Year 2 Targets:</u>				<u>Year 3 Targets:</u>			

population.

Attachment B

MaineCare Services
An Office of the
Department of Health and Human Services

Maine Department of Health and Human Services

Proposed Changes to Medicaid State Plan
Personal Care Services:
September 2013 Updates

DRAFT 9/26/2013

Attachment C

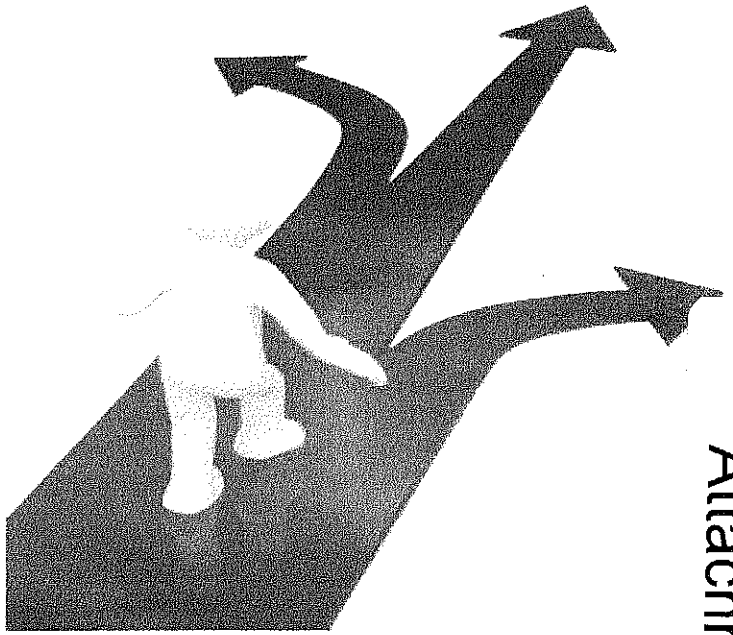
Details of Proposed Model

MaineCare Services
An Office of the Department of Health and Human Services

- Simplification and consolidation of reimbursement for Personal Care Services (PCS).
  - Reimbursement for medically eligible members regardless of setting.

- Member choice for in-home PCS.
  - Self-directed
  - PCS Agency

- Member choice for licensed residential services
  - Personal Care Home
  - Adult Family Care Homes



Attachment C

Personal Care Services and Consumer Choice

MaineCare Services
An Office of the Department of Health and Human Services

Requires PCS and chooses to remain at home

- Self Directs PCS
- Choose PCS Agency to direct and provide PCS

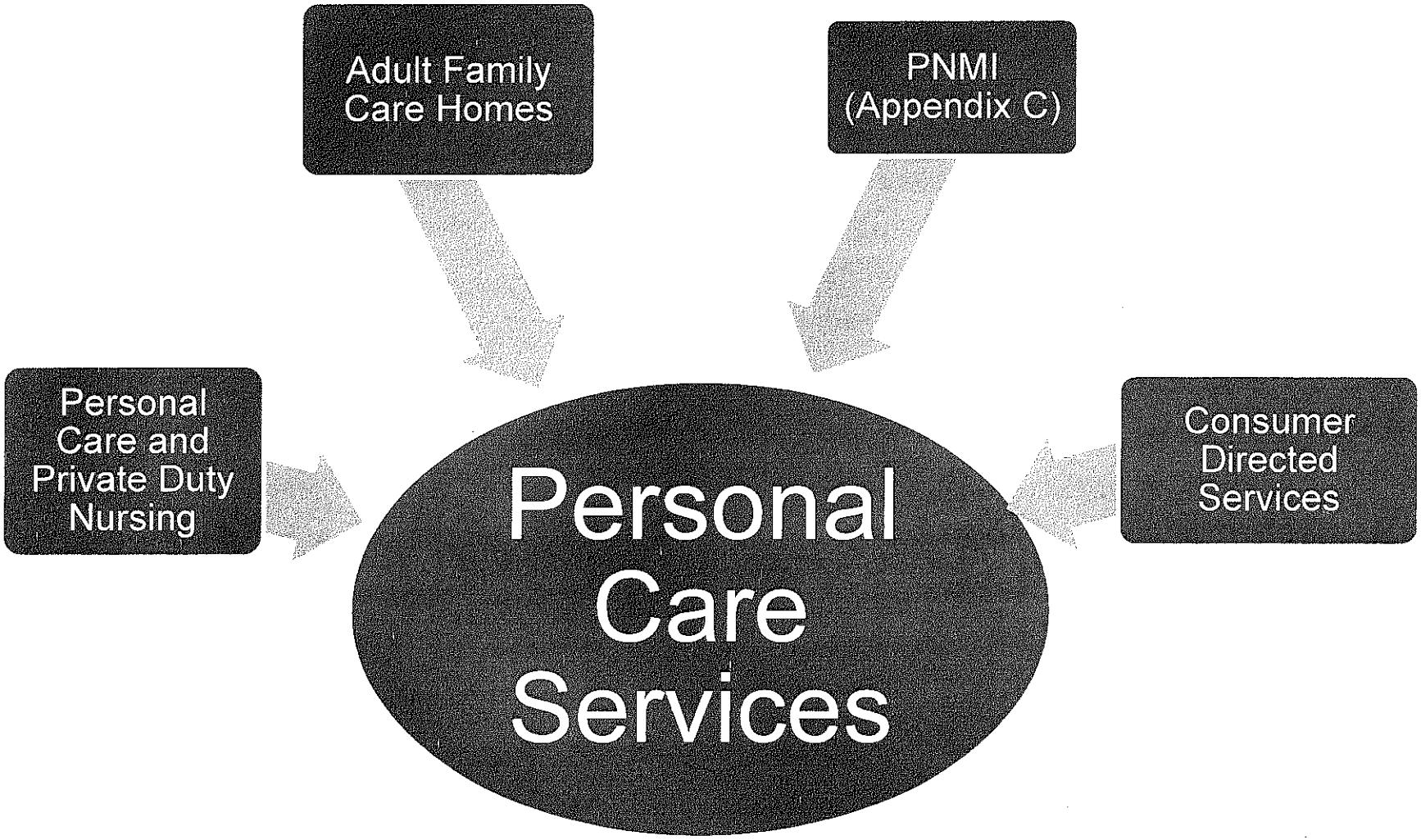
Requires PCS, Requires 24/7 supported setting, and chooses another residential setting

- Choose Adult Family Care Home
- Choose PCS Home

Attachment C

Medicaid State Plan Personal Care Services: Currently Model

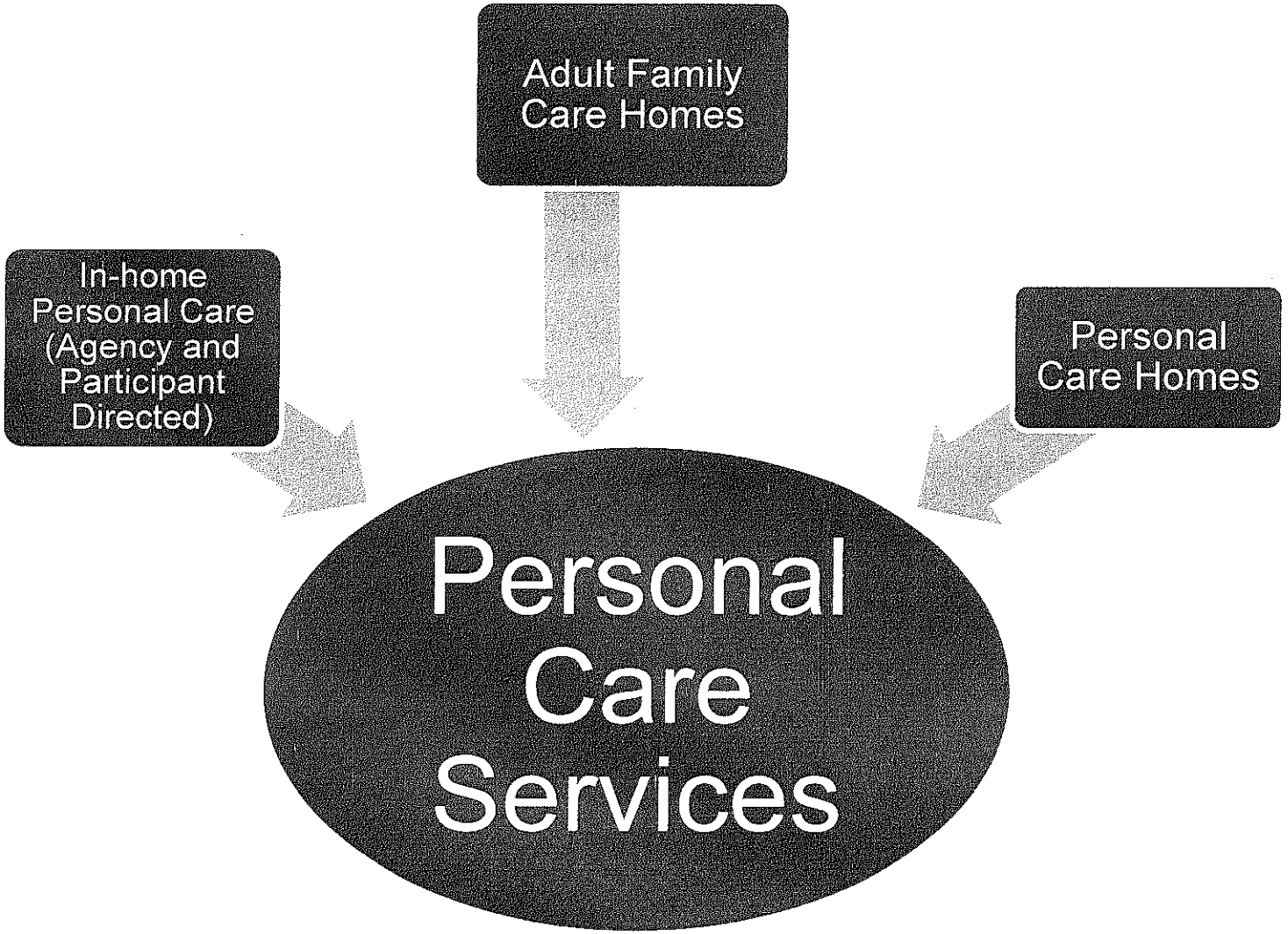
MaineCare Services
An Office of the Department of Health and Human Services



Attachment C

Medicaid State Plan Personal Care Services: Proposed

MaineCare Services
An Office of the Department of Health and Human Services



Attachment C

Other Initiatives Related to Personal Care Services

MaineCare Services
An Office of the Department of Health and Human Services

- Recognition that Maine's long term care programs and services are interrelated and reform in one area has ripple effects throughout the entire system.

- There are several other on-going structural change initiatives that have as a goal streamlined eligibility, improved access and expanded community LTSS across all populations. Examples:

  - Public Law 2011, Chapter 422 (LD 683)
  - Resolve 2011, Chapter 71 (LD 1461)

- PNMI work must be coordinated and considered in light of these other structural change initiative as well as other initiatives such as development of a waiver for individuals with brain injury.

Attachment C

Medicaid State Plan Services

MaineCare Services
An Office of the Department of Health and Human Services

- As a Medicaid State Plan Service, CMS has several requirements regarding service delivery. These include but are not limited to standards around:

✓Statewideness
✓Comparability
✓Free choice of provider

Attachment C

Medicaid State Plan: Personal Care Services

- State Plan Services include both mandatory and optional services.
- Personal Care Services is considered an Optional State Plan Service.
- Personal Care Services under the Medicaid State Plan are community (versus institutional) services.
- Note: CMS criteria around home and community setting limit Maine's options for funding of Appendix C other than through Medicaid State Plan.

Attachment C

Covered Personal Care Services

MaineCare Services
An Office of the Department of Health and Human Services

- **42 CFR § 440.167 Personal care services**

- Unless defined differently by a State agency for purposes of a waiver granted under part 441, subpart G of this chapter—
- (a) *Personal care services* means services furnished to an individual who is not an inpatient or resident of a hospital, nursing facility, intermediate care facility for individuals with intellectual disabilities, or institution for mental disease that are—
- (1) Authorized for the individual by a physician in accordance with a plan of treatment or (at the option of the State) otherwise authorized for the individual in accordance with a service plan approved by the State;
- (2) Provided by an individual who is qualified to provide such services and who is not a member of the individual's family; and
- (3) Furnished in a home, and at the State's option, in another location.
- (b) For purposes of this section, *family member* means a legally responsible relative.

Attachment C

Medical/Functional Eligibility: Proposed

MaineCare Services
An Office of the Department of Health and Human Services

The State needs to establish medical eligibility for Personal Care Services that does not differ based on the setting in which the person receives the service.

Proposed eligibility:

- A member meets the medical eligibility requirements for Level I if he or she requires at least limited assistance plus a one person physical assist **with at least one (1)** of the following ADLs: bed mobility, transfer, locomotion, eating, toilet use, dressing, and bathing, plus physical assistance with at least two Instrumental Activities of Daily Living; OR cueing seven (7) days per week for eating, toilet use, bathing and dressing.

This eligibility will apply across all sections of policy funded under Medicaid State Plan Personal Care Services (currently Sections 2, 12, 96, 97 Appendix C).

Attachment C

Minimum PCS Staffing Requirements: Proposed

MaineCare Services
An Office of the Department of Health and Human Services

The State must set forth minimum staffing qualifications for all Personal Care Services

Requirements for agency and licensed setting:

- Personal Support Specialist (PSS), a DHHS certification
- Others whose training or licensure exceeds these certifications (CNA, CRMA, HHA).

Requirements for self-direction

- Competency qualifications

Medication administration must be done by qualified staff

- CRMA cannot administer medications outside of a facility and without nursing supervision.

Attachment C

Service Utilization Limits: Proposed

MaineCare Services
An Office of the Department of Health and Human Services

In-home services

- Service plan is authorized by independent assessment agency.
- 3 levels
- Annual review or when there is a significant change in member's circumstance.

Licensed residential setting

- Each member will be assigned a utilization category based on needs conducted by provider and reviewed by DHHS.
- Quarterly review or when there is a significant change in member's circumstance
- Reimbursement based on individual utilization category

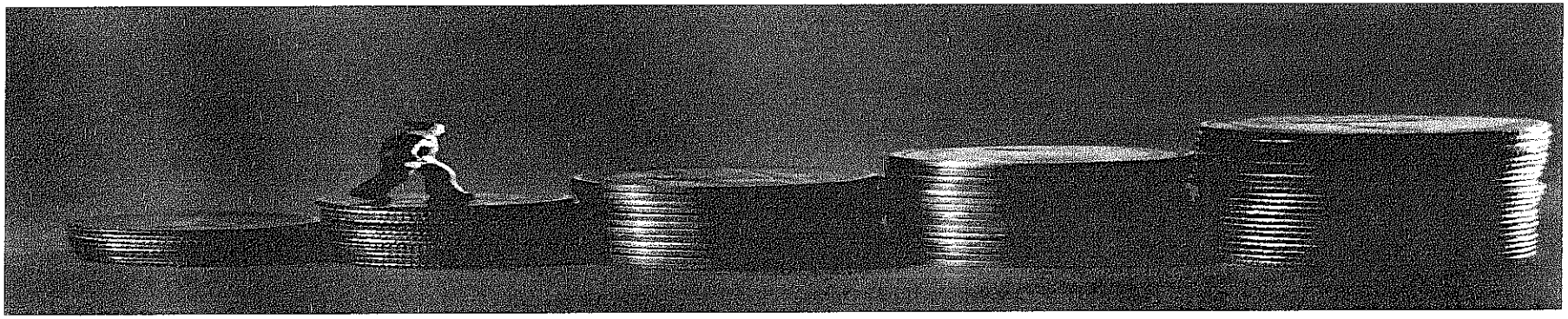
Note: Daily rate versus 15 minute billing unit though this does not change requirement that only services actually provided will be reimbursed.

Attachment C

Rates for In-Home Personal Care Services

MaineCare Services
An Office within the Department of Health and Human Services

- Current:
  - Consumer Directed Services (Section 12) for Personal Support Specialists
    - $10.44 per hour (15 minute units @ $2.61 per unit)
  - Agency providers under Personal Care Services (Section 96)
    - $15 per hour (billed in 15 minute units @ $3.75 per unit)
    - Allows for added agency licensing requirements.
- Proposed:
  - $10.44 per hour for Consumer Directed providers
  - $15 per hour for Licensed PCS Agency providers



Attachment C

Adult Family Care Home Proposal

MaineCare Services
An Office of the Department of Health and Human Services

- Independent Assessor determines member's medical/functional eligibility
- Current Per Diem Resource Grouping reimbursement maintained
- Base rate increased to be consistent with Independent Rate of $10.44/hr.
- Resource Groupings estimate "average" member unable to live alone requires 5 hours PCS
- Independent Provider rate applied to daily per diem base rate
  - $10.44 x 5hrs = $52.20

Attachment C

Proposed for PCS Homes

MaineCare Services
An Office of the Department of Health and Human Services

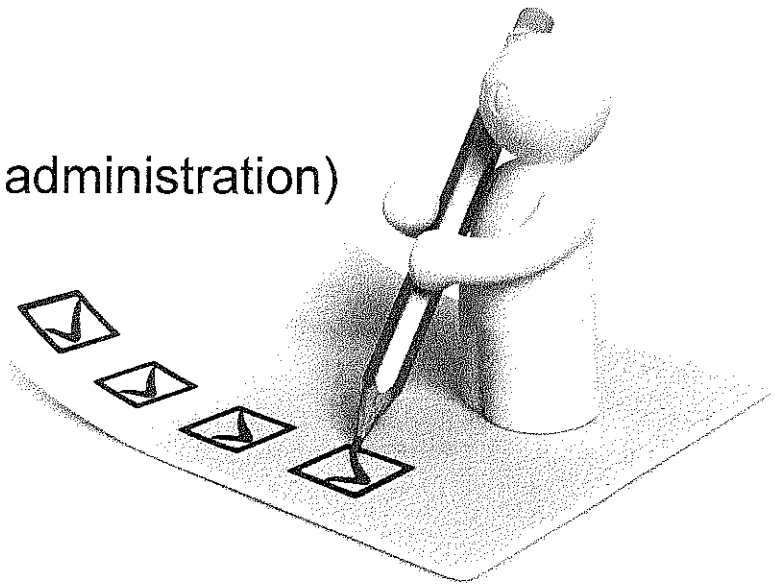
- Independent Assessor determines member's medical/functional eligibility
- Current Per Diem Resource Grouping reimbursement maintained
- Base rate increased to be consistent with Licensed PCS Agency rate $15/hr.
- Resource Groupings estimate "average" member unable to live alone requires 5 hours of PCS
- Licensed Agency rate applied to daily per diem base rate
  - $15 x 5 hours = $75

Attachment C

Additional Considerations

MaineCare Services
An Office of the Department of Health and Human Services

- Service Plans and documentation
  - Provider responsibility
- Elimination of DHHS Audits
  - R&B negotiated between PCH and resident
- Staffing Impact
  - Training and certification may be necessary for some staff
- Medication Administration
  - Billed separately (currently $6.32 per administration)
  - Subject to staffing requirements



Attachment C

Attachment D

Encumbrance #: CT 10A 20130924*1304
DHHS Agreement #: COM-14-411
Vendor/Customer #: VC0000191734

STATE OF MAINE
DEPARTMENT OF Health and Human Services
Agreement to Purchase Services

THIS AGREEMENT, made this 16th day of September, 2013, is by and between the State of Maine, Department of Health and Human Services, hereinafter called "Department," and The Alexander Group, Inc., located at 22 Whispering Pine Terrace, Greenville, RI 02828, telephone number (401) 954-8288, hereinafter called "Provider", for the period of September 16, 2013 to May 15, 2014.

WITNESSETH, that for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the Department, the Provider hereby agrees with the Department to furnish all qualified personnel, facilities, materials and services and in consultation with the Department, to perform the services, study or projects described in Rider A, and under the terms of this Agreement. The following riders are hereby incorporated into this Agreement and made part of it by reference:

Rider A – Specifications of Work to be Performed
Rider B – Payment and Other Provisions
Rider C – Rider B Exceptions
Rider D – Additional Requirements
Rider G – Identification of Country In Which Contracted Work Will Be Performed

WITNESSETH, that this contract is consistent with Executive Order 17 FY 08/09 or a superseding Executive Order, and complies with its requirements.

IN WITNESS WHEREOF, the Department and the Provider, by their representatives duly authorized, have executed this agreement in one original copy.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
By: _____ for
William W. Boeschenstein, Jr., Chief Operating Officer
And

THE ALEXANDER GROUP, INC.
By: _____
Gary D. Alexander, Executive Director

ENCUMBERED
SEP 30 2013
STATE CONTROLLER

Total Agreement Amount: $925,200
Approved: _____
Chair, State Purchases Review Committee

SEP 30 2013

Attachment D

BP 54 - AGREEMENT TO PURCHASE SERVICES

STATE OF MAINE
STANDARD AGREEMENT COVER PAGE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

DHHS Agreement # COM-14-411
AdvantageME CT # CT 10A 20130924*1304

Community Agency Name: The Alexander Group, Inc.

Address: 22 Whispering Pine Terrace, Greenville, RI 02828

Program Name: **Service:** Consulting

Geographic Area Served: Statewide

DHHS District #_____ **DHHS Region #1** **Vendor/Customer #:** VC0000191734

Agency Fiscal Year: July - June

FOR DEPARTMENT USE ONLY

Agreement Period

Effective Date: 9/16/2013
Termination Date: 5/15/2014
Amended Effective Date: _____
Amended Termination Date: _____

Type of Agreement

☒ Contract-State Services
☐ Grant- Client Services

☒ New
☐ Renewal
☐ Amendment
☐ Budget Rev.

CFDA #	ACCOUNT #	FY 2014 Enc.	FY 2015 Enc.	Agreement Total
1.	010-10A-1033-01-4073	$ 17,280.00		$ 17,280.00
2.	015-10A-4101-01-4073	$ 69,120.00		$ 69,120.00
3.	010-10A-3026-01-4073	$124,560.00		$124,560.00
4.	013-10A-3026-01-4073	$124,560.00		$124,560.00
5.	010-10A-3227-01-4073	$313,035.17		$313,035.17
6.	014-10A-3227-01-4073	$276,644.83		$276,644.83
7.				
8.				
9.				
TOTALS		$925,200.00	$____	$925,200.00

Agreement Routing: **Contract Administrator** Denice Baron
Denice.m.baron@maine.gov

BP 54 - AGREEMENT TO PURCHASE SERVICES

RIDER A
SPECIFICATIONS OF WORK TO BE PERFORMED

I. AGREEMENT FUNDING SUMMARY

Funds are provided under this Agreement for the provision of consulting services. The service descriptions are detailed in Section III Service Specifications and Performance Guidelines. The sources of funds and compliance requirements for this Agreement follow:

A. State General Fund **$454,875.17**

Use of funds shall be in accordance with requirements detailed in the Maine Uniform Accounting and Auditing Practices for Community Agencies (CMR 10-144, Chapter 30); and with the terms of this Agreement.

B. Dedicated/Special Revenue **$276,644.83**

C. Federal Funds **$193,680.00**

Use of funds shall be in accordance with restrictions contained in the appropriate CFDA; with Federal OMB Circulars A-21, A-87, A-102, A-110, A-122, and A-133, as applicable; with CMR 10-144, Chapter 30, as applicable; and with the terms of this Agreement.

☒ CFDA #93.558, Temporary Assistance from Needy Families, 1402METANF, Administration of Children and Families **$69,120.00**

☒ CFDA#93.778, Medicaid Administration, Medicaid Cluster, 1405ME5ADM, Centers for Medicaid and Medicare Services (CMS) **$124,560.00**

II. GENERAL REQUIREMENTS

Reporting. The Provider shall submit reports in accordance with the specifications of the Department, according to the following schedule:

The Provider will present a monthly report to the Department evaluating the status of deliverables in process per the delivery summary outlined in the following section.

III. SERVICE SPECIFICATIONS AND PERFORMANCE GUIDELINES

A. Service Description:

This scope of work supports the Department's efforts to evaluate the entire public welfare system, including the Medicaid program, for potential reforms and increased flexibility through a possible global 1115B waiver, assess the feasibility of Medicaid expansion under multiple reform scenarios and review program integrity across the entire Department. The deliverables are described below.

BP 54 - AGREEMENT TO PURCHASE SERVICES

Task 1: Baseline Analysis and Review

Complete a baseline-econometric and data-driven analysis and review that will measure the degree of strengths, weaknesses, and opportunities, as well as identify the root causes of underperformance that will enable the Department to craft a global reform strategy. The Provider will assess, review the model, and measure the state's current programs, processes, practices and reforms. This will also include a basic assessment of Maine's public welfare data and data-mining capabilities.

Timeline for Completion September 16, 2013 to December 20, 2013*

Deliverable 1 – Maine's Public Welfare System Blueprint *Maine's Public Welfare System Blueprint will help Maine better understand its system's strengths, weaknesses, opportunities and threats, as well as the best options to accomplish global reform. The blueprint will outline recommendations for how and where resources should be deployed for the reform effort. Deliverable shall include sections of review and analyses related to each of the program areas outlined in Sections 1.1 and 1.2 below.*

Specific Components to be contained within *Deliverable 1 – Maine's Public Welfare System Blueprint*

1.1 Review and analyze current Medicaid program, operations, and its financial sustainability. The Provider shall review Maine's entire Medicaid program, giving particular attention to the size, scope, and effectiveness of each of its current waivers. The review will include, but not be limited to:

- **Long-term care policies and programs.** The Provider will review the state's rebalancing of their long-term care efforts away from high-cost institutional venues and towards home- and community-based settings such as (but not limited to) shared-living arrangements, assisted living, remote health (medicine), at-home care across all populations and intellectual disability programs. The Provider will also analyze the efficacy of the state's plans for dual-eligible recipients. The dual-eligible population includes Medicare beneficiaries—those enrolled in traditional fee-for-service Medicare, Medicare Advantage or PACE plans, and individuals who are dually eligible for Medicare and Medicaid would also enroll in coverage through the exchange. Medicare beneficiaries would choose only among fee-for-service Medicare, Medicare Part-D plans, and federally qualified Medicare Advantage plans. This will include all institutionally based systems as well as home- and community-based alternatives.

- **Care-management systems.** The Provider will review Maine's plans for accountable systems of care as well as its current care management system for the Medicaid population. Health homes, primary care medical homes and hospital expenditures will be reviewed.

- **Pharmacy.** The Provider will review state Medicaid pharmacy practices and utilizations trends.

- **Purchasing strategies.** The Provider will review the state's current health-care purchasing methodologies for its delivery systems for Medicaid and welfare recipients.

- **School-based therapy services under special education.** The Provider will perform a school-based services utilization review by certified pediatric therapy experts. This review of educationally related therapy services include:

    - Motor-skill development (fine, gross and visual motor skills)
    - Graphic communication skills (handwriting, keyboarding, and drawing)
    - Mobility and safety
    - Sensory processing dysfunction
    - Preventative practices
    - Speech language therapy

**The full school-based therapy services under special education review will commence November 15, 2013 and be completed by March 15, 2014. An initial review will be included in the report due December 20, 2013.*

1.2 Review and analyze remaining public-welfare programs:

- **Temporary Assistance for Needy Families (TANF) and employment programs.** After reviewing current program goals, efficiency and block-grant opportunities, the Provider will identify gaps where there is greater potential for integrating employment initiatives across all programs and populations.

- **SNAP and Food/Nutrition Programs.** The Provider will analyze the growth in the program and its overall efficiency toward achieving effectiveness in providing proper nutrition to needy populations.

- **Child Care Program.** The Provider will perform a systemic review of Maine's child-care program to achieve two goals.

    - The provider will identify potential changes that will yield efficiencies and reduce administrative and/or subsidy costs. The cost savings could be reinvested back in the program to reduce waiting lists.
    - The provider will review the daycare program to see how well the program is coordinated with the objectives and implementation of other welfare programs. In particular, the provider will examine how well the system is integrated and its impact on socio-economic goals.

- **Child-Support System.** Effective child-support enforcement is an important component of welfare systems. Empirically supported experience from other states demonstrates a large caseload of unwed mothers on TANF, and federal rules require these mothers to seek child support. The Provider will analyze the child-support system in relation to the welfare system for the State of Maine from three perspectives.
    - The provider will review current program measures and work with Maine officials to generate descriptive statistics on the intersection of child support and welfare programs.
    - The provider will review child-support policies and their implementation among the various welfare programs.
    - The Provider will review the effectiveness of child-support enforcement relative to welfare programs.
    - The Provider will make recommendations pursuant to these three perspectives.

- **Eligibility System and Entry into the System.** The Provider will provide a review of the Maine eligibility system, program eligibility and the overall entry into the system.

As part of this portion of the review, the Provider will review the State of Maine's pro-family and pro-work incentives and policies geared toward moving families and individuals up the economic ladder and off the public-welfare system.

Task 2: Deliver and deliver to the Department a recommended plan for achieving a global reform of Medicaid programs. The plan will include a recommended request for increased federal flexibility

- After analyzing and reviewing all options, the Provider will provide a recommended plan of action that would enable the State of Maine to achieve a global reform and redesign of all Medicaid programs to ensure a performance-driven system that will deliver maximum flexibility, efficiency, and cost-effectiveness.
- Using Maine's most current data, the Provider will develop a cost-benefit analysis of such a redesign and provide recommendations to achieving federal approval. The Provider will include the federal flexibility necessary to enact reform changes, as well as how the state might achieve some of the goals of a global reform without federal approval.

- Finally, the Provider will craft and recommend a plan for improved coordination and integration of Medicaid and related welfare programs to achieve better outcomes. This includes the determination of what request Maine will make for increased flexibility from the federal government. This could be a global 1115B waiver, waiver consolidation or some other request for increased flexibility.

Timeline for Completion September 16, 2013 to December 20, 2013

Deliverable 2- Recommendations for System Reform *Recommended plan to achieve a global redesign of the Medicaid-welfare system and operations. The plan will be included in Maine's Public Welfare System Blueprint and will include a cost-benefit analysis of all recommendations. Report will include recommended plan for achieving any required federal approval necessary to implement suggested changes, including the assessment of a global 1115B waiver.*

Task 3: Deliver an initial feasibility study for a potential Medicaid expansion

Timeline for Completion September 15, 2013 to December 1, 2013

Deliverable 3- Medicaid Expansion Feasibility Study The Provider will review the proposed Medicaid expansion currently offered under the Affordable Care Act and offer a feasibility study for Maine. The study will include program impacts and analyses of other states decisions regarding Medicaid expansion. This study will include options related to Medicaid expansion under different reforms scenarios, including those recommended in *Deliverable 3 – Recommended Plan for System Reform.*

Task 4: Design and implement system-wide program integrity action plan - reduce fraud, waste and abuse of public welfare programs

- The Provider shall create a system-wide program-integrity plan designed to encompass all public welfare programs that will ensure that all programs, including global reforms, will provide for continuous improvements, be cost-effective, work toward preventing fraud, waste and abuse, and provide for care delivery in the right setting at the right time.

Timeline for Completion October 15, 2013 to May 15, 2014

Deliverable 4 – System-wide program integrity review and action plan) *The Provider will conduct a review of Maine's current program-integrity system and design and implement a system -wide program integrity action plan spanning the entire Department. The deliverables include a Program Integrity review and blueprint, outlined in the Program Integrity Action Plan, and the subsequent implementation of the action plan.**

**Note – to proceed from the Program Integrity review and development of action plan to the implementation phase of the Program Integrity action plan, the Department must accept the Program Integrity Action Plan and approve implementation.*

Specific components the Provider will deliver include, but are not limited to:

4.1 Create a Transformational Project Management Office
To carry out the specific goals and objectives of task 4
4.2 Create the plan for enterprise-wide program integrity
1) Exhaustive inventory and assessment of DHHS processes, policies, IT systems, organizational structures, performance measures and personnel dedicated to program integrity.
2) Perform gap analysis to identify areas of improvement and resource mapping
3) Develop strategic plan for improving and enhancing program integrity at the Department
4.3 Develop consistent guidelines for Program Integrity and provide training across program offices
4.4 Create and develop consistent rules across program to reduce waste
4.5 Develop a budget tracking and fraud, waste and abuse data-deployment "dashboard" to enable continuous financial and budget data monitoring to provide ongoing program measurement to ensure program effectiveness

BP 54 - AGREEMENT TO PURCHASE SERVICES
4.6 Apply advanced data-analytics to link data silos and create "actionable intelligence" that can be used to address fraud, waste and abuse in the system

Task 5: "Welfare to Work" system enhancement

- The Provider will conduct an intensive review of the Department's "welfare to work" system which spans multiple offices of the Department but is focused in the Office of Family Independence in the Temporary Assistance for Needy Families and ASPIRE program. The analyses will align with activities in Deliverables 1, 3 and 4. The Provider will create a plan to align and enhance welfare to work efforts within the Department to incorporate performance-based payment methodologies, new and innovative employee incentives, and an initiative to incorporate the physically and intellectually disabled in the process.

Timeline for Completion October 15, 2013 to March 15, 2014

***Deliverable 5* – "Welfare to Work" Enhancement** *The Provider will conduct an assessment of Maine's "welfare to work" system and craft a recommended course of action to improve and enhance efforts to increase employment rates among those who are receiving a public benefit (specifically TANF/ASPIRE) and are able to work. This initiative will also include a review focused on increasing employment to those who are developmentally and physically disabled who desire employment. This deliverable will be delivered through a plan outlined in Blueprint 1, and shall include implementation of the plan.*

Monthly Report

The Provider will present a monthly report evaluating the status of deliverables in process to the Department.

Deliverables summary:

Deliverable	Target Date Due	Summary	Total Cost
Deliverable 1 – Econometric and data-driven analysis of Maine's Public Welfare System *Delivered via Maine's Public Welfare System Blueprint*	**12/20/2013**	*Data-driven analysis of Maine public welfare programs and the best options to accomplish global reform to improve efficiency and effectiveness.*	*$135,360*
Deliverable 2- Plan for Global Reform *Delivered via Maine's Public Welfare System Blueprint*	**12/20/2013**	*Recommended plan to achieve a global redesign of the Medicaid-welfare system and operations.*	*$141,120*
Deliverable 3- Medicaid Expansion Feasibility Study *Delivered in Medicaid Feasibility Study*	**12/1/2013**	*Feasibility study of optional ACA Medicaid expansion in Maine, under multiple Medicaid system designs*	*$108,000*

Deliverable 4 – System-wide program integrity review and action plan *Deliverable 4.1 – Program integrity review and action plan* *Deliverable 4.2 – Implement program integrity plan*	**5/15/2014**	*Conduct a system-wide program integrity review and develop and implement associated action plan*	*$454,320*
Deliverable 5 – "Welfare to Work" system enhancement	**3/15/2014**	*The Provider will create a plan to align and enhance welfare to work efforts within the Department*	*$86,400*

Rates Established

The Provider will deliver services through a group of individuals with a wide range of skill sets and variable hourly rates. The rate for each deliverable was established based on an estimated number of hours required by the Provider to complete each deliverable.

Payment Schedule

The Department will pay the Provider a monthly fee for the duration of the contract totaling to 60% of total contract, and will withhold additional payment totaling 40% of the Agreement, to be paid upon accepted completion of deliverable as outlined below.

Monthly Payment Schedule	Payment Amount
September 30, 2013	$61,680
October 15, 2013	$61,680
November 15, 2013	$61,680
December 15, 2013	$61,680
January 15, 2014	$61,680
February 15, 2014	$61,680
March 15, 2014	$61,680
April 15, 2014	$61,680
May 15, 2014	$61,680
Total Monthly Payment	$555,120
Upon Accepted Completion of Deliverable – Target Due Date	
Deliverable Schedule	Payment Amount
Deliverable 1 – December 15, 2013	$75,000
Deliverable 2 – December 15, 2013	$75,080
Deliverable 3 – December 1, 2013	$70,000
Deliverable 4 – May 15, 2014	$100,000
Deliverable 5 – March 15, 2014	$50,000
Total Deliverables Payment	$370,080
Total Agreement Payments	$925,200

BP 54 - AGREEMENT TO PURCHASE SERVICES

RIDER B
METHOD OF PAYMENT AND OTHER PROVISIONS

1. **AGREEMENT AMOUNT** The maximum amount payable under this Agreement is $925,200.

2. **INVOICES AND PAYMENTS**

The Department will pay the Provider nine (9) monthly payments for the period ending May 15, 2014, upon receipt of an approved invoice. The Department will pay the Provider for completion of deliverables. The total payments will be based upon the schedule in Rider A up to a total of $925,200. Payments are subject to the Provider's compliance with all items set forth in this Agreement and subject to the availability of funds.

3. **BENEFITS AND DEDUCTIONS** If the Provider is an individual, the Provider understands and agrees that he/she is an independent contractor for whom no Federal or State Income Tax will be deducted by the Department, and for whom no retirement benefits, survivor benefit insurance, group life insurance, vacation and sick leave, and similar benefits available to State employees will accrue. The Provider further understands that annual information returns, as required by the Internal Revenue Code or State of Maine Income Tax Law, will be filed by the State Controller with the Internal Revenue Service and the State of Maine Bureau of Revenue Services, copies of which will be furnished to the Provider for his/her Income Tax records.

4. **INDEPENDENT CAPACITY** In the performance of this Agreement, the parties hereto agree that the Provider, and any agents and employees of the Provider shall act in the capacity of an independent contractor and not as officers or employees or agents of the State.

5. **DEPARTMENT'S REPRESENTATIVE** The Agreement Administrator shall be the Department's representative during the period of this Agreement. He/she has authority to curtail services if necessary to ensure proper execution. He/she shall certify to the Department when payments under the Agreement are due and the amounts to be paid. He/she shall make decisions on all claims of the Provider, subject to the approval of the Commissioner of the Department.

6. **AGREEMENT ADMINISTRATOR**. All progress reports, correspondence and related submissions from the Provider shall be submitted to:

Name and Title:	Denice Baron, Contract Administrator
Address:	11 SHS, 221 State Street Augusta, Me 04333
Telephone:	207-287-2454
E-mail Address:	Denice.M.Baron@maine.gov

who is designated as the **Agreement Administrator** on behalf of the Department for this Agreement, except where specified otherwise in this Agreement.

The following is designated as the **Program Administrator** for this Agreement and shall be responsible for oversight of the programmatic aspects of this Agreement.

Name and Title:	Sam Adolphsen, Director of Strategic Development
Address:	11 SHS, 221 State Street Augusta, Me 04333-0011
Telephone:	207-975-6617
E-mail Address:	Sam.adolphsen@maine.gov

7. **CHANGES IN THE WORK** The Department may order changes in the work, the Agreement Amount being adjusted accordingly. Any monetary adjustment or any substantive change in the work shall be in the form of an amendment, signed by both parties and approved by the State Purchases Review Committee. Said amendment must be effective prior to execution of the work.

8. **SUB-AGREEMENTS** Unless provided for in this Agreement, no arrangement shall be made by the Provider with any other party for furnishing any of the services herein contracted for without the consent and approval of the Agreement Administrator. Any sub-agreement hereunder entered into subsequent to the execution of this Agreement must be annotated "approved" by the Agreement Administrator before it is reimbursable hereunder. This provision will not be taken as requiring the approval of contracts of employment between the Provider and its employees assigned for services thereunder.

9. **SUBLETTING, ASSIGNMENT OR TRANSFER** The Provider shall not sublet, sell, transfer, assign or otherwise dispose of this Agreement or any portion thereof, or of its right, title or interest therein, without written request to and written consent of the Agreement Administrator. No subcontracts or transfer of agreement shall in any case release the Provider of its liability under this Agreement.

10. **EQUAL EMPLOYMENT OPPORTUNITY** During the performance of this Agreement, the Provider agrees as follows:

a. The Provider shall not discriminate against any employee or applicant for employment relating to this Agreement because of race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, or sexual orientation, unless related to a bona fide occupational qualification. The Provider shall take affirmative action to ensure that applicants are employed and employees are treated during employment, without regard to their race, color, religion, sex, age, national origin, physical or mental disability, or sexual orientation.

Such action shall include but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Provider agrees to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions of this nondiscrimination clause.

b. The Provider shall, in all solicitations or advertising for employees placed by or on behalf of the Provider relating to this Agreement, state that all qualified applicants shall receive consideration for employment without regard to race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, or sexual orientation.

c. The Provider shall send to each labor union or representative of the workers with which it has a collective bargaining agreement, or other agreement or understanding, whereby it is furnished with labor for the performance of this Agreement a notice to be provided by the contracting agency, advising the said labor union or workers' representative of the Provider's commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The Provider shall inform the contracting Department's Equal Employment Opportunity Coordinator of any discrimination complaints brought to an external regulatory body (Maine Human Rights Commission, EEOC, Office of Civil Rights) against their agency by any individual as well as any lawsuit regarding alleged discriminatory practice.

e. The Provider shall comply with all aspects of the Americans with Disabilities Act (ADA) in employment and in the provision of service to include accessibility and reasonable accommodations for employees and clients.

f. Contractors and subcontractors with contracts in excess of $50,000 shall also pursue in good faith affirmative action programs.

g. The Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

11. **EMPLOYMENT AND PERSONNEL** The Provider shall not engage any person in the employ of any State Department or Agency in a position that would constitute a violation of 5 MRSA § 18 or 17 MRSA § 3104. The Contractor shall not engage on a full-time, part-time or other basis during the period of this Agreement, any other personnel who are or have been at any time during the period of this Agreement in the employ of any State Department or Agency, except regularly retired employees, without the written consent of the State Purchases Review Committee. Further, the Provider shall not engage on this project on a full-time, part-time or other basis during the period of this Agreement any retired employee of the Department who has not been retired for at least one year, without the written consent of the State Purchases Review Committee. The Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

12. **STATE EMPLOYEES NOT TO BENEFIT** No individual employed by the State at the time this Agreement is executed or any time thereafter shall be admitted to any share or part of this Agreement or to any benefit that might arise therefrom directly or indirectly that would constitute a violation of 5 MRSA § 18 or 17 MRSA § 3104. No other individual employed by the State at the time this Agreement is executed or any time thereafter shall be admitted to any share or part of this Agreement or to any benefit that might arise therefrom directly or indirectly due to his employment by or financial interest in the Provider or any affiliate of the Provider, without the written consent of the State Purchases Review Committee. The Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

13. **WARRANTY** The Provider warrants that it has not employed or contracted with any company or person, other than for assistance with the normal study and preparation of a proposal, to solicit or secure this Agreement and that it has not paid, or agreed to pay, any company or person, other than a bona fide employee working solely for the Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon, or resulting from the award for making this Agreement. For breach or violation of this warranty, the Department shall have the right to annul this Agreement without liability or, in its discretion to otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

14. **ACCESS TO RECORDS** As a condition of accepting a contract for services under this section, a contractor must agree to treat all records, other than proprietary information, relating to personal services work performed under the contract as public records under the freedom of access laws to the same extent as if the work were performed directly by the department or agency. For the purposes of this subsection, "proprietary information" means information that is a trade secret or commercial or financial information, the disclosure of which would impair the competitive position of the contractor and would make available information not otherwise publicly available. Information relating to wages and benefits of the employees performing the personal services work under the contract and information concerning employee and contract oversight and accountability procedures and systems are not proprietary information. The Provider shall maintain all books, documents, payrolls, papers, accounting records and other evidence pertaining to this Agreement and make such materials available at its offices at all reasonable times during the period of this Agreement and for such subsequent period as specified under Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP) rules. The Provider shall allow inspection of pertinent documents by the Department or any authorized representative of the State of Maine or Federal Government, and shall furnish copies thereof, if requested. This subsection applies to contracts, contract extensions and contract amendments executed on or after October 1, 2009.

15. **TERMINATION** The performance of work under the Agreement may be terminated by the Department in whole, or in part, whenever for any reason the Agreement Administrator shall determine that such termination is in the best interest of the Department. Any such termination shall be effected by delivery to the Provider of a Notice of Termination specifying the extent to which performance of the work under the Agreement is terminated and the date on which such termination becomes effective. The Agreement shall be equitably adjusted to compensate for such termination, and modified accordingly.

16. **GOVERNMENTAL REQUIREMENTS** The Provider warrants and represents that it will comply with all governmental ordinances, laws and regulations.

17. **GOVERNING LAW** This Agreement shall be governed in all respects by the laws, statutes, and regulations of the United States of America and of the State of Maine. Any legal proceeding against the State regarding this Agreement shall be brought in State of Maine administrative or judicial forums. The Provider consents to personal jurisdiction in the State of Maine.

18. **STATE HELD HARMLESS** The Provider agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims, costs, expenses, injuries, liabilities, losses and damages of every kind and description (hereinafter in this paragraph referred to as "claims") resulting from or arising out of the performance of this Agreement by the Provider, its employees, agents, or subcontractors. Claims to which this indemnification applies include, but without limitation, the following: (i) claims suffered or incurred by any contractor, subcontractor, materialman, laborer and any other person, firm, corporation or other legal entity (hereinafter in this paragraph referred to as "person") providing work, services, materials, equipment or supplies in connection with the performance of this Agreement; (ii) claims arising out of a violation or infringement of any proprietary right, copyright, trademark, right of privacy or other right arising out of publication, translation, development, reproduction, delivery, use, or disposition of any data, information or other matter furnished or used in connection with this Agreement; (iii) Claims arising out of a libelous or other unlawful matter used or developed in connection with this Agreement; (iv) claims suffered or incurred by any person who may be otherwise injured or damaged in the performance of this Agreement; and (v) all legal costs and other expenses of defense against any asserted claims to which this indemnification applies. This indemnification does not extend to a claim that results solely and directly from (i) the Department's negligence or unlawful act, or (ii) action by the Provider taken in reasonable reliance upon an instruction or direction given by an authorized person acting on behalf of the Department in accordance with this Agreement.

19. **NOTICE OF CLAIMS** The Provider shall give the Contract Administrator immediate notice in writing of any legal action or suit filed related in any way to the Agreement or which may affect the performance of duties under the Agreement, and prompt notice of any claim made against the Provider by any subcontractor which may result in litigation related in any way to the Agreement or which may affect the performance of duties under the Agreement.

20. **APPROVAL** This Agreement must have the approval of the State Controller and the State Purchases Review Committee before it can be considered a valid, enforceable document.

21. **LIABILITY INSURANCE** The Provider shall keep in force a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Agreement with adequate liability coverage to protect itself and the Department from suits. Providers insured through a "risk retention group" insurer prior to July 1, 1991 may continue under that arrangement. Prior to or upon execution of this Agreement, the Provider shall furnish the Department with written or photocopied verification of the existence of such liability insurance policy.

22. **NON-APPROPRIATION** Notwithstanding any other provision of this Agreement, if the State does not receive sufficient funds to fund this Agreement and other obligations of the State, if funds are de-appropriated, or if the State does not receive legal authority to expend funds from the Maine State Legislature or Maine courts, then the State is not obligated to make payment under this Agreement.

23. **SEVERABILITY** The invalidity or unenforceability of any particular provision or part thereof of this Agreement shall not affect the remainder of said provision or any other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision or part thereof had been omitted.

24. **INTEGRATION** All terms of this Agreement are to be interpreted in such a way as to be consistent at all times with the terms of Rider B (except for expressed exceptions to Rider B included in Rider C), followed in precedence by Rider A, and any remaining Riders in alphabetical order.

25. **FORCE MAJEURE** The Department may, at its discretion, excuse the performance of an obligation by a party under this Agreement in the event that performance of that obligation by that party is prevented by an act of God, act of war, riot, fire, explosion, flood or other catastrophe, sabotage, severe shortage of fuel, power or raw materials, change in law, court order, national defense requirement, or strike or labor dispute, provided that any such event and the delay caused thereby is beyond the control of, and could not reasonably be avoided by, that party. The Department may, at its discretion, extend the time period for performance of the obligation excused under this section by the period of the excused delay together with a reasonable period to reinstate compliance with the terms of this Agreement.

26. **SET-OFF RIGHTS** The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any monies due to the Provider under this Agreement up to any amounts due and owing to the State with regard to this Agreement, any other Agreement, any other Agreement with any State department or agency, including any Agreement for a term commencing prior to the term of this Agreement, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Controller.

27. **ENTIRE AGREEMENT** This document contains the entire Agreement of the parties, and neither party shall be bound by any statement or representation not contained herein. No waiver shall be deemed to have been made by any of the parties unless expressed in writing and signed by the waiving party. The parties expressly agree that they shall not assert in any action relating to the Agreement that any implied waiver occurred between the parties which is not expressed in writing. The failure of any party to insist in any one or more instances upon strict performance of any of the terms or provisions of the Agreement, or to exercise an option or election under the Agreement, shall not be construed as a waiver or relinquishment for the future of such terms, provisions, option or election, but the same shall continue in full force and effect, and no waiver by any party of any one or more of its rights or remedies under the Agreement shall be deemed to be a waiver of any prior or subsequent rights or remedy under the Agreement or at law.

RIDER C
EXCEPTIONS TO RIDER B

There are no exceptions to Rider B for this Agreement.

RIDER D
Additional Requirements

1. **CONFIDENTIALITY.** The provider shall comply with Federal and State statutes and regulations for the protection of information of a confidential nature regarding all persons served under the terms of this Agreement. In addition, the provider shall comply with Title II, Subtitle F, Section 261-264 of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, titled "Administrative Simplification" and the rules and regulations promulgated thereunder.

To the extent the Provider is considered a Business Associate under HIPAA, the Provider shall execute and deliver in form acceptable to the Department a Business Associate agreement (BA agreement). The terms of the BA agreement shall be incorporated into this Agreement by reference. The Department shall have recourse to such remedies as are provided for in this Agreement for breach of Agreement, in the event the Provider either fails to execute and deliver such BA agreement to the Department or fails to adhere to the terms of the BA Agreement.

2. **LOBBYING.** No Federal or State appropriated funds shall be expended by the Provider for influencing or attempting to influence, as prohibited by state or federal law, an officer or employee of any Federal or State agency, a member of Congress or a State Legislature, or an officer or employee of Congress or a State Legislature in connection with any of the following covered actions: the awarding of any agreement; the making of any grant; the entering into of any cooperative agreement; or the extension, continuation, renewal, amendment, or modification of any agreement, grant, or cooperative agreement. The signing of this Agreement fulfills the requirement that providers receiving over $100,000 in Federal or State funds file with the Department with respect to this provision.

If any other funds have been or will be paid to any person in connection with any of the covered actions specified in this provision, the Provider shall complete and submit a "Disclosure of Lobbying Activities" form available at:

http://www.whitehouse.gov/omb/grants/#forms.

3. **DRUG-FREE WORKPLACE.** By signing this agreement, the Provider certifies that it shall provide a drug-free workplace by: publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Provider's workplace and specifying the actions that will be taken against employees for violation of such prohibition; establishing a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace, the Provider's policy of maintaining a drug-free workplace, available drug counseling and rehabilitation programs, employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace; providing a copy of the drug-free workplace statement to each employee to be engaged in the performance of this agreement; notifying the employees that as a condition of employment under the agreement the employee will abide by the terms of the statement and notify the employer of any criminal drug conviction for a violation occurring in the workplace no later than five days after such conviction.

The provider shall notify the state agency within ten days after receiving notice of criminal drug convictions occurring in the workplace from an employee, or otherwise receiving actual notice of such conviction, and will take one of the following actions within 30 days of receiving such notice with respect to any employee who is so convicted: take appropriate personnel action against the employee, up to and including termination, or requiring the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

4. **DEBARMENT AND SUSPENSION.** By signing this agreement, the Provider certifies to the best of its knowledge and belief that it and all persons associated with the agreement, including persons or corporations who have critical influence on or control over the agreement, are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

The Provider further agrees that the Debarment and Suspension Provision shall be included, without modification, in all sub-agreements.

5. **ENVIRONMENT TOBACCO SMOKE.** By signing this agreement, the Provider certifies that it shall comply with the Pro-Children Act of 1994, P.L. 103-227, Part C, which requires that smoking not be permitted in any portion of any indoor facility owned, leased, or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments by Federal grant, Agreement, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or MaineCare funds, and portions of facilities used for inpatient drug or alcohol treatment.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1,000 per day and/or the imposition of an administrative compliance order on the responsible entity.

Also, the provider of foster care services agrees that it will comply with Resolve 2003, c. 134, which prohibits smoking in the homes and vehicles operated by foster parents.

6. **MEDICARE AND MAINECARE ANTI-KICKBACK.** By signing this agreement, the Provider agrees that it shall comply with the dictates of 42 U.S.C. 1320a-7b (b), which prohibits the solicitation or receipt of any direct or indirect remuneration in return for referring or arranging for the referral of an individual to a provider of goods or services that may be paid for with Medicare, MaineCare, or state health program funds.

7. **PUBLICATIONS.** When issuing reports, brochures, or other documents describing programs funded in whole or in part with funds provided through this agreement, the Provider agrees to clearly acknowledge the participation of the Department of Health and Human Services in the program. In addition, when issuing press releases and requests for proposals, the Provider shall clearly state the percentage of the total cost of the project or program to be financed with agreement funds and the dollar amount of agreement funds for the project or program.

8. **OWNERSHIP.** All notebooks, plans, working papers, or other work produced in the performance of this Agreement that are related to specific deliverables under this Agreement, are the property of the Department and upon request shall be turned over to the Department.

9. **SOFTWARE OWNERSHIP.** Upon request, the State and all appropriate federal agencies shall receive a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to do so, all application software produced in the performance of this Agreement, including, but not limited to, all source, object, and executable code, data files, and job control language, or other system instructions. This requirement applies only to software that is a specific deliverable under this Agreement, or is integral to the program or service funded under this Agreement, and is primarily financed with funding provided under this Agreement.

10. PROVIDER RESPONSIBILITIES / SUB AGREEMENTS. The Provider is solely responsible for fulfillment of this Agreement with the Department. The Provider assumes responsibility for all services offered and products to be delivered whether or not the Provider is the manufacturer or producer of said services.

(a) Sub-agreements.

i. All sub-agreements must contain the assurances enumerated in Sections 10, 11, and 12 of Rider B and Sections 4, 5, 6, 7 of Rider D;

ii. All sub-agreements must be signed and delivered to the Department's Agreement Administrator within five (5) business days following the execution date of the sub-agreement.

iii. See Rider B Section 8.

(b) Relationship between Provider, Subcontractor and Department. The Provider shall be wholly responsible for performance of the entire agreement whether or not subcontractors are used. Any sub-agreement into which the Provider enters with respect to performance under this Agreement shall not relieve the Provider in any way of responsibility for performance of its duties. Further, the Department will consider the Provider to be the sole point of contact with regard to any matters related to this Agreement, including payment of any and all charges resulting from this Agreement. The Department shall bear no liability for paying the claims of any subcontractors, whether or not those claims are valid.

(c) Liability to Subcontractor. The requirement of prior approval of any sub-agreement under this Agreement shall not make the Department a party to any sub-agreement or create any right, claim or interest in the subcontractor or proposed subcontractor against the Department. The Provider agrees to defend (subject to the approval of the Attorney General) and indemnify and hold harmless the Department against any claim, loss, damage, or liability against the Department based upon the requirements of Rider B, Section 18.

11. RENEWALS. This Agreement may be renewed at the discretion of the Department.

12. NO RULE OF CONSTRUCTION. The parties acknowledge that this Agreement was initially prepared by the Department solely as a convenience and that all parties hereto, and their counsel, have read and fully negotiated all the language used in the Agreement. The parties acknowledge that, because all parties and their counsel participated in negotiating and drafting this Agreement, no rule of construction shall apply to this Agreement that construes ambiguous or unclear language in favor of or against any party because such party drafted this Agreement.

13. CONFLICT OF INTEREST. The Provider covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Provider further covenants that in the performance of this Agreement, no person having any such known interests shall be employed. (See also Rider B, #11 and #12.)

BP 54 - AGREEMENT TO PURCHASE SERVICES

RIDER G
IDENTIFICATION OF COUNTRY
IN WHICH CONTRACTED WORK WILL BE PERFORMED

Please identify the country in which the services purchased through this contract will be performed:

☒ **United States. Please identify state: Maine**

☐ **Other. Please identify country: _____**

Notification of Changes to the Information

The Provider agrees to notify the Division of Purchases of any changes to the information provided above.

Attachment E

Maine Revised Statutes

§1825-A Title 5: §1825-C

§1825-B PDF
§1825-B MS-WORD
STATUTE SEARCH
CH. 155 CONTENTS
TITLE 5 CONTENTS
LIST OF TITLES
DISCLAIMER
MAINE LAW
REVISOR'S OFFICE
MAINE LEGISLATURE

ADMINISTRATIVE PROCEDURES AND SERVICES
Part 4: FINANCE
Chapter 155: PURCHASES
Subchapter 1-A: RULES GOVERNING THE COMPETITIVE BID PROCESS

§1825-B. Bids, awards and contracts

1. Purchases by competitive bidding. The Director of the Bureau of General Services shall purchase collectively all goods and services for the State or any department or agency of the State in a manner that best secures the greatest possible economy consistent with the required grade or quality of the goods or services. Except as otherwise provided by law, the Director of the Bureau of General Services shall make purchases of goods or services needed by the State or any department or agency of the State through competitive bidding.

[1991, c. 780, Pt. Y, §70 (AMD) .]

2. Waiver. The requirement of competitive bidding may be waived by the Director of the Bureau of General Services when:

A. The procurement of goods or services by the State for county commissioners pursuant to Title 30-A, section 124, involves the expenditure of $2,500 or less, and the interests of the State would best be served; [1999, c. 105, §1 (AMD).]

B. The Director of the Bureau of General Services is authorized by the Governor or the Governor's designee to make purchases without competitive bidding because in the opinion of the Governor or the Governor's designee an emergency exists that requires the immediate procurement of goods or services; [1995, c. 119, §1 (AMD).]

C. After reasonable investigation by the Director of the Bureau of General Services, it appears that any required unit or item of supply, or brand of that unit or item, is procurable by the State from only one source; [1991, c. 780, Pt. Y, §70 (AMD).]

D. It appears to be in the best interest of the State to negotiate for the procurement of petroleum products; [1989, c. 785, §2 (NEW).]

E. The purchase is part of a cooperative project between the State and the University of Maine System, the Maine Community College System, the Maine Maritime Academy or a private, nonprofit, regionally accredited institution of higher education with a main campus in this State involving:

Attachment E

§1825-B PDF
§1825-B MS-WORD
STATUTE SEARCH
CH. 155 CONTENTS
TITLE 5 CONTENTS
LIST OF TITLES
DISCLAIMER
MAINE LAW
REVISOR'S OFFICE
MAINE LEGISLATURE

(1) An activity assisting a state agency and enhancing the ability of the university system, community college system, Maine Maritime Academy or a private, nonprofit, regionally accredited institution of higher education with a main campus in this State to fulfill its mission of teaching, research and public service; and

(2) A sharing of project responsibilities and, when appropriate, costs; [2011, c. 555, §1 (AMD).]

F. The procurement of goods or services involves expenditures of $10,000 or less, in which case the Director of the Bureau of General Services may accept oral proposals or bids; or [1999, c. 105, §2 (AMD).]

G. The procurement of goods or services involves expenditures of $10,000 or less, and procurement from a single source is the most economical, effective and appropriate means of fulfilling a demonstrated need. [1999, c. 105, §3 (AMD).]

[2011, c. 555, §1 (AMD) .]

3. Report. By January 15th of each year the Director of the Bureau of General Services shall submit to the joint standing committee of the Legislature having jurisdiction over state and local government a report concerning any waivers from the competitive bidding provisions established in subsection 2, paragraph E.

[1991, c. 780, Pt. Y, §70 (AMD) .]

4. Registry of suppliers. Suppliers desiring to have their names entered on a registry of suppliers must submit a request to the Director of the Bureau of General Services in writing. The Director of the Bureau of General Services may prescribe the manner and form in which such a request must be submitted and may limit the number of names of out-of-state bidders on any registry. The name of any supplier entered in such a registry who fails to submit a bid on 3 consecutive proposals or invitations to bid may be removed from the registry at the discretion of the Director of the Bureau of General Services, except that the Department of Corrections remains on any registry until the Department of Corrections requests that the department be removed from that registry.

[1991, c. 780, Pt. Y, §70 (AMD) .]

5. Alternate bids. When, in bid forms and specifications, an article or material is identified by using a trade name and catalog number of a manufacturer or vendor, the term "or approved equal," if not inserted with the identification, is implied. There is a presumption that any reference to a particular manufacturer's product either by trade name or by limited description has been made solely for the purpose of more clearly indicating the minimum standard of quality desired. Consideration must be given to proposals submitted on approved equal alternate commodities to the extent that such action serves the best interest of the State. The bidder submitting a proposal on a commodity other than as specified shall furnish complete

Attachment E

§1825-B PDF
§1825-B MS-WORD
STATUTE SEARCH
CH. 155 CONTENTS
TITLE 5 CONTENTS
LIST OF TITLES
DISCLAIMER
MAINE LAW
REVISOR'S OFFICE
MAINE LEGISLATURE

identification, descriptive literature or data with respect to the alternate commodity that the bidder proposes to furnish. Lack of such information on the bid must be construed to mean that the bidder proposes to furnish the exact commodity described. The State reserves the right to reject any bids, in whole or in part, to waive any formality or technicality in any bid and to accept any item in any bid.

[1989, c. 785, §2 (NEW) .]

6. Record of bids. Each bid, with the name of the bidder, must be entered on a record. Each record, with the successful bid indicated, must be open to public inspection after the letting of the contract. A bond for the proper performance of each contract may be required of each successful bidder at the discretion of the Director of the Bureau of General Services, with the approval of the Commissioner of Administrative and Financial Services.

[1991, c. 780, Pt. Y, §70 (AMD) .]

7. Awards to best-value bidder. Except as otherwise provided by law, orders awarded or contracts made by the Director of the Bureau of General Services or by any department or agency of the State must be awarded to the best-value bidder, taking into consideration the qualities of the goods or services to be supplied, their conformity with the specifications, the purposes for which they are required, the date of delivery and the best interest of the State. If the bidder that was initially awarded the order or contract does not perform, the Director of the Bureau of General Services may cancel the contract and award a new contract to the 2nd best-value bidder. The order or contract may not be awarded to a bidder that the Director of the Bureau of General Services determined was not in compliance at the time the initial bid was submitted.

[1997, c. 263, §1 (AMD) .]

8. Tie bids. The Director of the Bureau of General Services shall award contracts or purchases to in-state bidders or to bidders offering commodities produced or manufactured in the State if the price, quality, availability and other factors are equivalent.

[1991, c. 780, Pt. Y, §70 (AMD) .]

9. Determination of best-value bidder. In determining the best -value bidder, the Director of the Bureau of General Services or any department or agency of the State shall, for the purpose of awarding a contract, add a percent increase on the bid of a nonresident bidder equal to the percent, if any, of the preference given to that bidder in the state in which the bidder resides.

[1997, c. 263, §2 (AMD) .]

10. List of state preferences published. The Director of the Bureau of General Services on or before January 1st of each year shall publish a list of states that give preference to in-state bidders with the percent increase applied in each such state. The Director of the Bureau of General Services or any department or agency of the State may rely on the names of states and percentages as published in

Attachment E

determining the best-value bidder without incurring any liability to any bidder.

[1997, c. 263, §2 (AMD) .]

§1825-B PDF
§1825-B MS-WORD
STATUTE SEARCH
CH. 155 CONTENTS
TITLE 5 CONTENTS
LIST OF TITLES
DISCLAIMER
MAINE LAW
REVISOR'S OFFICE
MAINE LEGISLATURE

11. Rulemaking; unfair competition. State departments and agencies may not achieve cost savings due to cost differentials that derive from a bidder's failure to provide health and retirement benefits to its employees. The State Purchasing Agent shall adopt rules governing the purchase of services and the awarding of grants or contracts for personal services to establish a basis for bid price and cost comparison among businesses that provide health and retirement benefits to their employees and those that do not provide these benefits. The rules must include a methodology for calculating bid price and cost differentials for services provided by businesses and state employees due to the provision of health and retirement benefits for employees. The rules must adjust the bid prices to establish an equivalent basis for bid price and cost comparison among businesses when awarding contracts and between businesses and state employees when determining whether or not a contract is permitted under section 1816-A. These rules must apply to all state departments and agencies. Rules adopted pursuant to this subsection are routine technical rules as defined in chapter 375, subchapter 2-A.

[2003, c. 501, §2 (NEW) .]

12. Vendor's fee. The State Purchasing Agent may collect a fee in an amount equal to 1% of the bid from a supplier of apparel, footwear or textiles with a winning bid under this section. The State Purchasing Agent shall apply the fee under this subsection to the costs of implementing and administering the state purchasing code of conduct under section 1825-L, including developing a consortium to monitor and investigate alleged violations of the code of conduct. The State Purchasing Agent shall adopt routine technical rules under chapter 375, subchapter 2-A to carry out the purposes of this subsection.

[2007, c. 193, §1 (NEW) .]

13. Vendor's fee report. By January 15th of each year the Director of the Bureau of General Services shall submit a report to the joint standing committee of the Legislature having jurisdiction over state and local government matters concerning revenue generated by the vendor's fee established in subsection 12.

[2007, c. 193, §2 (NEW) .]

14. Condition of doing business with the State. Notwithstanding any provision of law to the contrary, any purchase by the State of $100,000 or more of tangible personal property, except for public utility purchases, as defined in Title 36, section 1752, subsection 17, or emergency purchases pursuant to subsection 2, paragraph B, may be made only from a person who is registered as a seller pursuant to Title 36, section 1754-B. As a condition of doing business with the State, the seller must collect, report and remit taxes in accordance with Title 36, Part 3. As provided in this subsection,

Attachment E

§1825-B PDF
§1825-B MS-WORD
STATUTE SEARCH
CH. 155 CONTENTS
TITLE 5 CONTENTS
LIST OF TITLES
DISCLAIMER
MAINE LAW
REVISOR'S OFFICE
MAINE LEGISLATURE

the State is prohibited from doing business with a person who is not registered as a seller pursuant to Title 36, section 1754-B and is not in compliance with the requirement to collect, report and remit taxes pursuant to Title 36, Part 3. After notification of the award, the seller must provide the State Purchasing Agent with a valid retailer certificate issued by the State Tax Assessor within 7 business days. If the seller fails to provide the registration certificate within 7 business days, the State Purchasing Agent may cancel the award and make a new award pursuant to subsection 7. The State Purchasing Agent shall provide the State Tax Assessor with a copy of all contracts awarded pursuant to this section. The State Tax Assessor shall notify the State Purchasing Agent if at any time during the term of the contract the person is no longer registered or is not collecting, reporting and remitting taxes in compliance with the requirements of Title 36, Part 3. Until the noncompliance is corrected, the State Purchasing Agent may withhold any payments to the person.

[2007, c. 328, §1 (NEW) .]

SECTION HISTORY
1989, c. 785, §2 (NEW). 1991, c. 515, §1 (AMD). 1991, c. 780, §Y70 (AMD). 1993, c. 640, §1 (AMD). 1995, c. 42, §1 (AMD). 1995, c. 119, §§1-4 (AMD). 1995, c. 387, §1 (AMD). 1995, c. 625, §A5 (AMD). 1997, c. 263, §§1,2 (AMD). 1999, c. 105, §§1-3 (AMD). 2003, c. 20, §OO2 (AMD). 2003, c. 20, §OO4 (AFF). 2003, c. 501, §2 (AMD). 2007, c. 193, §§1, 2 (AMD). 2007, c. 328, §1 (AMD). 2011, c. 555, §1 (AMD).

Data for this page extracted on 12/03/2013 11:50:15.

Office of the Revisor of Statutes
7 State House Station
State House Room 108
Augusta, Maine 04333-0007

Attachment F

DAFS/BGS Division of Purchases
Basic Contracting and Commodity Procurement Guidelines

Types of Service Agreements

1. Contract:

A contract is a written agreement between a provider and the State of Maine describing the services to be performed, the terms and conditions agreed to by the parties, the cost of the services and how payment will be made. The principal purpose of a contract is to purchase, lease, or barter property or services for the direct benefit of the government. A contract is generally awarded to a provider if the provider is the winner in a competitive bidding process (RFP). However, a contract may be awarded if there is a valid sole source justification. The contract document will be an Agreement to Purchase Services (BP-54), which is a legally binding written agreement between the provider and the Department.

2. Grant:

A grant is written agreement between a provider and the State of Maine describing the terms, conditions, and scope of performance or action that is expected of the provider. The principle purpose of a grant is the transfer of money, property, services or anything of value to the recipient in order to accomplish a public purpose of support with no substantial involvement between the State and the recipients during the performance of the activity. For example, an agreement under which a provider provides services directly to clients with no substantial involvement of the State would be a grant. A grant is generally awarded to a provider if the provider is the winner in a competitive bidding process (RFP). However, a grant may be awarded if there is a valid sole source justification. The grant document will be an Agreement to Purchase Services (BP-54), which is a legally binding written agreement between the provider and the Department.

3. Cooperative Agreement:

A Cooperative Agreement is an agreement between the State of Maine and the University of Maine System to jointly participate in a cooperative project under the terms of the General Policy Agreement for State/University Cooperative Agreements of September, 1989. A cooperative project is defined as "any activity of interest to the State of Maine where joint participation between the State and the University will improve the capacity of the State of Maine to provide services to the people of the State, and will enhance the ability of the University to further its teaching, research and public service missions". Any cooperative agreement must be approved by the Governor's Office prior to the execution of any agreement. Examples of projects that would meet these criteria include those that:

A. provides training of students who may be candidates for employment to meet needs of the public and private sectors in Maine;
B. support research and development projects that generate needed information or enhance the expertise of University faculty and research staff in areas needed by the State;
C. provides public service that leads to the dissemination of University expertise to various constituencies in the State and/or that addresses critical State needs.

Attachment F

Service Contract Guidelines

1. **Contracts: (When you need to purchase a service)**
   - Up to $5,000
     - BP18 Required
   - $5,001 to $10,000
     - Contact the Division of Purchases and explain what you need. They will help you figure out how to proceed. BP54 and BP37SS or BP37CA required.
   - Over $10,000
     - Subject to Request for Proposal (RFP)

2. **Temporary Staffing Services Contracts**
   When requesting a temporary staffing service contract, a BP37TEMP form should be completed and provided to the Division of Purchases along with the BP18 or BP54 Contract form that is applicable. For all temporary staffing service contracts the following dollar thresholds apply to the procurement process:
   - Up to $10,000 – emailed quotes from three temporary staffing service vendors (contact Division of Purchases for a list of these vendors)
   - $10,001 to $25,000 – email the job description(s) to all temporary staffing service vendors on the aforementioned list
   - Over $25,000 – Request for Proposals process required

Commodity Purchase Guidelines

A commodity is a good whose wide availability typically leads to smaller profit margins and diminishes the importance of factors other than price.

Before making a commodity purchase you need to ask these questions:

- Can the item be purchased from Central Warehouse? If yes, an AdvantageME Delivery Order (DO) is required.
- Is there a Master Agreement for this commodity on the Division of Purchases' website http://www.maine.gov/purchases/contracts/pals.html? If yes, a procurement card (p-card) transaction **OR** a DO is required.
- Is this a request for a printing job using an outside vendor (not Central Print)? Must process a Requisition (RQS) on AdvantageME (see process below). All print jobs must be handled by the Buyer that handles printing for the Division of Purchases. (Debbie.Jacques@maine.gov)

Items Under $5,000: For items under $5,000 (not printing or on Master Agreement) you can purchase using your p-card or do a simple Purchase Order (PO) in AdvantageME. If you are ordering multiple related items or quantities of similar items that have a unit price that is under $5,000, but the total expense is over $5,000, then the Division of Purchases will procure the items for you. Please follow the RQS process below or contact the Division buyer. The following website address will help you identify the appropriate Buyer to contact:
http://www.maine.gov/purchases/commodities.shtml

Revised 11/2013

RQS Process: In order for the Division of Purchases to procure an item for you, we will need the detailed specifications of the requested item(s) attached to an RQS in AdvantageME. Please contact the Division if you need assistance creating an RQS. You will need to have the funding available and account coding ready in order to create an RQS. If you want an item made by a specific manufacturer, you will need to fill out a BP37SS form explaining why this is the only source of this item that is acceptable, and attach the form to the RQS.

DO Process: A DO is an AdvantageME procurement document for any item that is covered by a Master Agreement (MA) and is for any dollar amount. Any DO under $5,000 requires only one level of approval, and over $5,000 requires three levels of approval the last being a Purchases buyer. The DO account line(s) must use an encumbering (PR05) "event type", unless it is a Central Warehouse order. The Purchases buyer will be responsible for e-mailing the order(s) to the vendor. The ordering agency will be responsible for e-mailing the vendor the order if it is under $5,000.
The Central Warehouse is set up as a vendor and your order will also be DO. Most orders will be under $5,000 but you do not have to e-mail the DO to the Central Warehouse. These DOs have three levels of approval; 1) agency approval, 2) Central Warehouse (receiving the order) and 3) Central Warehouse (filling the order).

Executive Order 07 FY10/11, "An Order Establishing the State Procurement Review Committee"
This Executive Order requires that all contracts greater than $3 million must be reviewed by the Attorney General's Office before going to provider for signature. Additionally, all contracts greater than $1 million must be reviewed by the State Procurement Review Committee, which is made up of the Director of the Division of Purchases, the State Budget Officer, the State Controller, the Governor's Office, and – if the contract is IT related – the Chief Information Officer.

Procurement Card Usage
The State of Maine p-card program is mentioned above in several places. As a general overview, the p-card program has been established to create an efficient, time-saving method of payment for agencies and vendors alike. The p-card may be used for commodity purchases that are less than $5,000 in total value (see Items Under $5,000 above), or certain services under $1,000 (please see "Low Value Service Guidelines" on our website, found at: http://www.maine.gov/purchases/procurement/documents/Low_Value_Services_Guidelines.xls).
In order to acquire a p-card, an applicant must review the State p-card policy, sign an agreement, complete a one-page application form, and complete a training program. The aforementioned documents and all other details regarding the p-card program can be found on the Division of Purchases' website at the following address:
http://www.maine.gov/purchases/procurement/index.shtml